

Senate Bill 164

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Senate Interim Committee on Judiciary for Oregon Law Commission)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: The Act updates laws about LLCs. (Flesch Readability Score: 73.8).

Updates and modernizes laws that govern the formation, governance, operations and conversion of limited liability companies in this state and relations among members, managers and third parties with respect to limited liability companies in this state.

A BILL FOR AN ACT

1
2 Relating to limited liability companies; creating new provisions; amending ORS 33.025, 56.014, 56.016,
3 56.022, 56.023, 56.037, 56.110, 56.140, 60.001, 60.470, 60.752, 60.754, 60.756, 60.758, 60.760, 60.764,
4 62.015, 62.605, 65.001, 67.340, 70.005, 70.500, 93.269, 314.840, 401.690, 648.005, 648.081, 656.735,
5 657.044, 671.047, 696.030, 701.160, 707.007, 709.015, 713.140, 713.200 and 726.050 and ORCP 7 D;
6 and repealing ORS 63.001, 63.002, 63.004, 63.007, 63.011, 63.014, 63.016, 63.017, 63.021, 63.024,
7 63.027, 63.031, 63.032, 63.034, 63.044, 63.047, 63.051, 63.054, 63.057, 63.074, 63.077, 63.094, 63.097,
8 63.101, 63.111, 63.114, 63.117, 63.121, 63.130, 63.140, 63.155, 63.160, 63.165, 63.170, 63.175, 63.180,
9 63.185, 63.195, 63.200, 63.205, 63.209, 63.219, 63.225, 63.229, 63.235, 63.239, 63.245, 63.249, 63.255,
10 63.259, 63.265, 63.431, 63.434, 63.437, 63.441, 63.444, 63.467, 63.470, 63.473, 63.476, 63.479, 63.481,
11 63.487, 63.494, 63.497, 63.621, 63.625, 63.629, 63.631, 63.637, 63.641, 63.644, 63.645, 63.647, 63.651,
12 63.654, 63.657, 63.661, 63.664, 63.671, 63.674, 63.701, 63.704, 63.707, 63.711, 63.714, 63.717, 63.721,
13 63.724, 63.727, 63.731, 63.734, 63.737, 63.741, 63.744, 63.747, 63.771, 63.777, 63.781, 63.784, 63.787,
14 63.801, 63.810, 63.951, 63.955, 63.960, 63.965, 63.990 and 63.992.

15 **Be It Enacted by the People of the State of Oregon:**

TITLE

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17
18
19 **SECTION 1. Short Title. Sections 1 to 125 of this 2025 Act shall be known and may be**
20 **cited as the Oregon Limited Liability Company Act.**

DEFINITIONS

21
22
23
24 **SECTION 2. Definitions. As used in sections 1 to 125 of this 2025 Act:**

25 **(1) "Articles of organization" means the record required under section 24 of this 2025 Act**
26 **and the record as amended or restated.**

27 **(2) "Contribution," except as used in "right of contribution," means property or a benefit,**
28 **as described in section 42 of this 2025 Act, that is provided by a person to a limited liability**

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 company to become a member or in the person's capacity as a member.

2 (3) "Debtor in bankruptcy" means a person that is the subject of:

3 (a) An order for relief under Title 11 of the United States Code, as in effect on the ef-
4 fective date of this 2025 Act, or a comparable order under a successor statute of general
5 application; or

6 (b) A comparable order under federal, state or foreign law governing insolvency.

7 (4)(a) "Distribution" means a transfer of money or other property from a limited liability
8 company to a person on account of a transferable interest or in the person's capacity as a
9 member, such as:

10 (A) A redemption or other purchase by a limited liability company of a transferable in-
11 terest; and

12 (B) A transfer to a member in return for the member's relinquishment of any right to
13 participate as a member in the management or conduct of the limited liability company's
14 activities and affairs or to have access to records or other information concerning the lim-
15 ited liability company's activities or affairs.

16 (b) "Distribution" does not include amounts constituting reasonable compensation for
17 present or past service or payments made in the ordinary course of business under a bona
18 fide retirement plan or other bona fide benefits program.

19 (5) "Foreign limited liability company" means an unincorporated entity organized under
20 the laws of a jurisdiction other than this state that would be a limited liability company if
21 organized under the laws of this state.

22 (6) "Jurisdiction," used to refer to a political entity, means the United States, a state, a
23 foreign country or a political subdivision of a foreign country.

24 (7) "Jurisdiction of formation" means the jurisdiction the laws of which govern the
25 internal affairs of an entity.

26 (8) "Limited liability company" means an entity that is organized under sections 1 to 125
27 of this 2025 Act or an entity that becomes subject to sections 1 to 125 of this 2025 Act under
28 sections 90 to 120 of this 2025 Act.

29 (9) "Manager" means a person that, under the operating agreement of a manager-
30 managed limited liability company, is responsible, alone or in concert with others, for per-
31 forming the management functions described in section 47 (3) of this 2025 Act.

32 (10) "Manager-managed limited liability company" means a limited liability company that
33 qualifies under section 47 (1) of this 2025 Act.

34 (11)(a) "Member" means a person that has become a member of a limited liability com-
35 pany under section 41 of this 2025 Act or was a member of a limited liability company when
36 the company becomes subject to sections 1 to 125 of this 2025 Act.

37 (b) "Member" does not include a person that is dissociated from a limited liability com-
38 pany under section 56 of this 2025 Act.

39 (12) "Member-managed limited liability company" means a limited liability company that
40 is not a manager-managed limited liability company.

41 (13) "Operating agreement" means an agreement of all of the members of a limited li-
42 ability company, including a sole member, concerning the matters described in section 6 of
43 this 2025 Act, including amendments to or restatements of the agreement, whether the
44 agreement is referred to as an operating agreement and whether the form of the agreement
45 is oral, implied, in a record or in any combination of forms.

1 (14) **“Organizer”** means a person that acts under section 24 of this 2025 Act to form a
2 **limited liability company.**

3 (15) **“Person”** means:

4 (a) **An individual;**

5 (b) **A partnership, limited partnership or limited liability partnership;**

6 (c) **A limited liability company or foreign limited liability company;**

7 (d) **A corporation, professional corporation or nonprofit corporation;**

8 (e) **A joint venture, association, unincorporated nonprofit association or limited cooper-**
9 **ative association;**

10 (f) **A cooperative;**

11 (g) **A trust, statutory trust, business trust or common-law business trust;**

12 (h) **A public corporation;**

13 (i) **A government or governmental subdivision or a tribal government; or**

14 (j) **Any other legal or commercial entity.**

15 (16)(a) **“Principal office”** means an office with a physical street address inside or outside
16 **this state where the executive offices of a limited liability company or a foreign limited li-**
17 **ability company are located, as recorded in an annual report or in a registration to do busi-**
18 **ness in this state.**

19 (b) **“Principal office”** does not include a commercial mail receiving agency, a mail for-
20 **warding address or a virtual office.**

21 (17) **“Property”** means all property, whether real, personal, a mixture of real or personal,
22 **tangible or intangible, or any right or interest in the property.**

23 (18) **“Record”** means information that is inscribed on a tangible medium or that is stored
24 **in an electronic or other medium and that is retrievable in perceivable form.**

25 (19) **“Registered agent”** means an agent that is authorized to receive service of process,
26 **a notice or a demand that is required or permitted by law to be served on a limited liability**
27 **company or a registered foreign limited liability company.**

28 (20) **“Registered foreign limited liability company”** means a foreign limited liability com-
29 **pany that is authorized to do business in this state under a statement of registration filed**
30 **by the Secretary of State.**

31 (21) **“Shell entity”** means an entity that has the characteristics described in section 58
32 **of this 2025 Act.**

33 (22) **“Sign”** means, with present intent to authenticate or adopt the record, to execute
34 **or adopt a tangible symbol, or to attach to or logically associate an electronic symbol, sound**
35 **or process with a record, including as provided in ORS 84.001 to 84.061.**

36 (23) **“State”** means a state of the United States, the District of Columbia, Puerto Rico,
37 **the United States Virgin Islands or any territory or insular possession that is subject to the**
38 **jurisdiction of the United States.**

39 (24) **“Transfer”** means an assignment, a conveyance, a sale, a lease, an encumbrance,
40 **including a mortgage or security interest, a gift or a transfer by operation of law.**

41 (25) **“Transferable interest”** means a right that a person initially owns in the person’s
42 **capacity as a member to receive distributions from a limited liability company, whether or**
43 **not the person remains a member or continues to own any part of the right, and includes**
44 **any fraction of the interest, by whomever owned.**

45 (26) **“Transferee”** means a person to which all or a part of a transferable interest has

1 been transferred, whether or not the other person is a member, including a person that owns
2 a transferable interest under section 57 (1)(c) of this 2025 Act.

3
4 **GENERAL PROVISIONS**

5
6 **SECTION 3. Application of Statutes to Members and Managers of Limited Liability**
7 **Companies.** (1) If a section of the Oregon Revised Statutes applies to both partners and di-
8 rectors, the section also applies to:

9 (a) The managers of a limited liability company in a limited liability company with one
10 or more managers; and

11 (b) The members of a limited liability company in a limited liability company without
12 managers.

13 (2) If a section of the Oregon Revised Statutes applies to both partners and shareholders,
14 the section also applies to members of a limited liability company.

15 (3) Sections 1 to 125 of this 2025 Act do not supersede the provisions of ORS 679.020.

16 **SECTION 4. Knowledge; Notice.** (1) A person knows a fact if the person:

17 (a) Has actual knowledge of the fact; or

18 (b) Is deemed to know the fact under subsection (4)(a) of this section or under law other
19 than sections 1 to 125 of this 2025 Act.

20 (2) A person has notice of a fact if the person:

21 (a) Has reason to know of the fact from all of the other facts the person knows at the
22 time in question; or

23 (b) Is deemed to have notice of the fact under subsection (4)(b) of this section.

24 (3) Subject to section 33 (5) of this 2025 Act, a person notifies another person of a fact
25 by taking steps reasonably required to inform the other person in ordinary course, whether
26 the steps cause or do not cause the other person to know the fact.

27 (4) A person that is not a member is deemed:

28 (a) To know of a limitation on authority to transfer real property as provided in section
29 37 (7) of this 2025 Act; and

30 (b) To have notice of a limited liability company's:

31 (A) Dissolution, 90 days after a statement of dissolution under section 61 (2)(b)(A) of this
32 2025 Act becomes effective;

33 (B) Termination, 90 days after a statement of termination under section 61 (2)(b)(F) of
34 this 2025 Act becomes effective; and

35 (C) Participation in a merger, interest exchange, conversion to a different form of entity
36 or domestication, 90 days after articles of merger, interest exchange, conversion or
37 domestication under sections 90 to 120 of this 2025 Act become effective.

38 **SECTION 5. Governing Law.** The laws of this state govern:

39 (1) The internal affairs of a limited liability company; and

40 (2) The liability of a member as a member and of a manager as a manager for a debt,
41 obligation or other liability of a limited liability company.

42 **SECTION 6. Operating Agreement.** (1) Except as otherwise provided in subsections (3)
43 and (4) of this section, an operating agreement governs:

44 (a) Relations among members as members and between members and the limited liability
45 company;

1 **(b) The rights and duties under sections 1 to 125 of this 2025 Act of a person in the ca-**
2 **capacity of a manager;**

3 **(c) The activities and affairs and the conduct of the activities and affairs of the limited**
4 **liability company; and**

5 **(d) The means of and conditions for amending the operating agreement.**

6 **(2) If the operating agreement does not provide for a matter described in subsection (1)**
7 **of this section, sections 1 to 125 of this 2025 Act govern the matter.**

8 **(3) An operating agreement may not:**

9 **(a) Vary the law applicable under section 5 of this 2025 Act;**

10 **(b) Vary a limited liability company's capacity under section 11 of this 2025 Act to sue**
11 **or be sued in the limited liability company's own name;**

12 **(c) Vary any requirement, procedure or other provision of sections 1 to 125 of this 2025**
13 **Act pertaining to:**

14 **(A) A registered agent; or**

15 **(B) The Secretary of State, including provisions pertaining to records that are authorized**
16 **or required to be delivered to the Secretary of State for filing under sections 1 to 125 of this**
17 **2025 Act;**

18 **(d) Vary the provisions of section 27 of this 2025 Act;**

19 **(e) Alter or eliminate the duty of loyalty or the duty of care, except as otherwise provided**
20 **in subsection (4) of this section;**

21 **(f) Eliminate the contractual obligation of good faith and fair dealing under section 49 (4)**
22 **of this 2025 Act, except that the operating agreement may prescribe standards that are not**
23 **manifestly unreasonable for measuring the performance of the obligation;**

24 **(g) Relieve or exonerate a person, in whole or in part, from liability for conduct involving**
25 **a breach of the duty of loyalty, an improper distribution under section 46 of this 2025 Act,**
26 **bad faith, willful or intentional misconduct or a knowing violation of the law;**

27 **(h) Vary the rights and duties set forth in section 50 of this 2025 Act, except as otherwise**
28 **provided in section 50 of this 2025 Act;**

29 **(i) Vary the causes of dissolution specified in section 58 (1)(d) of this 2025 Act;**

30 **(j) Vary the requirement to wind up the limited liability company's activities and affairs,**
31 **as specified in section 61 (1), (2)(a) and (5) of this 2025 Act;**

32 **(k) Restrict a member's right to maintain an action under section 69 of this 2025 Act,**
33 **except that the operating agreement may require that the member must:**

34 **(A) Enter into mediation to resolve the dispute before bringing the action or enter into**
35 **arbitration in lieu of the action;**

36 **(B) Bring the action in a particular forum; or**

37 **(C) Include particular information in a demand under section 69 (1) of this 2025 Act and**
38 **make the demand by particular means;**

39 **(L) Vary the right of a member to approve a merger under section 98 of this 2025 Act,**
40 **an interest exchange under section 104 of this 2025 Act, a conversion under section 110 of**
41 **this 2025 Act or a domestication under section 116 of this 2025 Act;**

42 **(m) Vary the contents required for:**

43 **(A) A plan of merger under section 98 of this 2025 Act;**

44 **(B) A plan of interest exchange under section 104 of this 2025 Act;**

45 **(C) A plan of conversion to a different form of entity under section 110 of this 2025 Act;**

1 or

2 (D) A plan of domestication under section 116 of this 2025 Act; or

3 (n) Restrict the rights under sections 1 to 125 of this 2025 Act of a person other than a
4 member or manager, except as otherwise provided in sections 7 and 8 (2) of this 2025 Act.

5 (4)(a) Subject to subsection (3)(g) of this section, and without limiting other terms that
6 the operating agreement may include, an operating agreement may:

7 (A) Specify the method by which a specific act or transaction that would otherwise vio-
8 late the duty of loyalty may be ratified by one or more disinterested and independent per-
9 sons, after full disclosure of all material facts;

10 (B) Alter the prohibition set forth in section 45 (1)(b) of this 2025 Act to require only that
11 the limited liability company's total assets are not less than the sum of the company's total
12 liabilities;

13 (C) Limit or eliminate a member's fiduciary duty if:

14 (i) The operating agreement is for a member-managed limited liability company; and

15 (ii) The operating agreement expressly relieves the member of a responsibility the mem-
16 ber otherwise would have under sections 1 to 125 of this 2025 Act and imposes the responsi-
17 bility upon one or more other members;

18 (D) Alter or eliminate the aspects of the duty of loyalty specified in section 49 (2) and (9)
19 of this 2025 Act, if the alteration or elimination is not manifestly unreasonable;

20 (E) Identify specific types or categories of activities that do not violate the duty of loy-
21 alty, if the identification is not manifestly unreasonable; and

22 (F) Alter the duty of care, if the alteration is not manifestly unreasonable, except that
23 the alteration may not authorize conduct involving bad faith, willful or intentional miscon-
24 duct or a knowing violation of the law.

25 (b) In an action involving an alteration, elimination or identification described in sub-
26 section (3)(f) of this section or paragraph (a)(D), (E) or (F) of this subsection, a court shall
27 decide as a matter of law whether the alteration, elimination or identification is manifestly
28 unreasonable. The court:

29 (A) Shall afford the parties to the action a reasonable opportunity to present evidence
30 as to the context, purpose and effect of the alteration, elimination or identification to aid the
31 court in making a determination;

32 (B) Shall consider in the court's determination only the circumstances that existed at the
33 time the alteration, elimination or identification became part of the operating agreement;
34 and

35 (C) May invalidate the alteration, elimination or identification only if, in light of the
36 limited liability company's purposes, activities and affairs, the court determines that:

37 (i) The objective of the alteration, elimination or identification is unreasonable; or

38 (ii) The alteration, elimination or identification is an unreasonable means by which to
39 achieve the limited liability company's purposes.

40 **SECTION 7. Operating Agreement; Effect on LLC and Members.** (1) A limited liability
41 company is bound by and may enforce the company's operating agreement, even if the com-
42 pany has not manifested assent to the operating agreement.

43 (2) A person that becomes a member is deemed to assent to a limited liability company's
44 operating agreement.

45 (3) Two or more persons intending to become the initial members of a limited liability

1 company may make an agreement providing that upon the formation of the company the
2 agreement becomes the operating agreement.

3 (4) One person intending to become the initial member of a limited liability company may
4 assent to terms providing that upon the formation of the limited liability company the terms
5 become the operating agreement.

6 **SECTION 8. Operating Agreement; Effect on Third Parties.** (1) An operating agreement
7 may specify that amending the operating agreement requires the approval of a person that
8 is not a party to the operating agreement or the satisfaction of a condition. An amendment
9 is ineffective if adopting the amendment requires the approval or satisfaction of the condi-
10 tion and the amendment is adopted without the approval or satisfaction of the condition.

11 (2) The obligations of a limited liability company and members to a person in the person's
12 capacity as a transferee or as a person that is dissociated as a member are governed by the
13 operating agreement. Subject only to a court order issued under section 53 (2) of this 2025
14 Act to effectuate a charging order, an amendment to the operating agreement that is made
15 after a person becomes a transferee or is dissociated as a member:

16 (a) Is effective with regard to any debt, obligation or other liability of the limited liability
17 company and members to the person in the person's capacity as a transferee or as a person
18 that is dissociated as a member; and

19 (b) Is not effective to the extent that the amendment imposes a new debt, obligation or
20 other liability on the transferee or the person that is dissociated as a member.

21 (3) If a limited liability company delivers a record to the Secretary of State for filing that
22 becomes effective but includes a provision that would be ineffective under section 6 (3) or
23 (4)(a)(D), (E) or (F) of this 2025 Act if the provision was included in the operating agreement,
24 the provision is ineffective in the record.

25 (4) Subject to subsection (3) of this section, if a record that a limited liability company
26 delivers to the Secretary of State for filing becomes effective and conflicts with a provision
27 of the operating agreement:

28 (a) The agreement prevails as to a member, a manager, a transferee and a person that
29 is dissociated as a member; and

30 (b) The record prevails as to other persons to the extent the other persons reasonably
31 rely on the record.

32 **SECTION 9. Nature, Purpose and Duration.** (1) A limited liability company is an entity
33 that is distinct from a member.

34 (2) A limited liability company may have any lawful purpose, whether for profit or not
35 for profit.

36 (3) A limited liability company has perpetual duration.

37 **SECTION 10. Purposes; Prohibition on Illegal Purposes.** (1) Except as otherwise provided
38 in the laws of this state and in this section, a limited liability company organized under
39 sections 1 to 125 of this 2025 Act may conduct or promote any lawful business or purpose
40 that a partnership, corporation or professional corporation, as defined in ORS 58.015, may
41 conduct or promote, unless the limited liability company's articles of organization set forth
42 a more limited purpose. A person may not organize a limited liability company under sections
43 1 to 125 of this 2025 Act for any illegal purpose or with an intent to fraudulently conceal any
44 business activity from another person or a governmental agency.

45 (2) Subject to the laws of this state, to applicable rules and regulations of a regulatory

1 board of a profession, if any, and to applicable standards of professional conduct of the pro-
2 fession, if any, a limited liability company or the company's members may render profes-
3 sional services in this state. Notwithstanding any other law, members who are professionals,
4 as defined in ORS 58.015, and managers who are members and professionals, are personally
5 liable as members of the limited liability company to the same extent and in the same man-
6 ner as provided for shareholders of a professional corporation in ORS 58.185 and 58.187 and
7 as otherwise provided in sections 1 to 125 of this 2025 Act.

8 (3) A business that is subject to regulation under other laws of this state may not be
9 organized under sections 1 to 125 of this 2025 Act if the business is required to be organized
10 only under the other laws.

11 (4) A limited liability company with a charitable purpose is a charitable organization that
12 is subject to ORS 128.610 to 128.769, to the oversight of the Attorney General and to the same
13 notification requirements and constraints on distributions that apply to a public benefit
14 corporation under ORS chapter 65.

15 **SECTION 11. Powers.** A limited liability company has the capacity to sue and be sued in
16 the company's own name and the power to do all things necessary or convenient to carry
17 on the company's activities and affairs.

18 **SECTION 12. Supplemental Principles of Law.** Unless displaced by particular provisions
19 of sections 1 to 125 of this 2025 Act, the principles of law and equity supplement sections 1
20 to 125 of this 2025 Act. Notwithstanding any provision of sections 1 to 125 of this 2025 Act,
21 a limited liability company is liable as provided by any statute or common law for loss or
22 injury caused as a result of a wrongful act or omission, or other conduct actionable under
23 any statute or common law, of the limited liability company or of a member or manager.
24 Notwithstanding any provision of sections 1 to 125 of this 2025 Act, a member or a manager
25 of a limited liability company is liable as provided by any statute or common law for loss or
26 injury caused as a result of a wrongful act or omission, or other conduct actionable under
27 any statute or common law, of the member or manager.

28 **SECTION 13. Permitted Names.** (1) The name of a limited liability company must include
29 the words "limited liability company" or the abbreviations "L.L.C." or "LLC."

30 (2) The name of a limited liability company or of a registered foreign limited liability
31 company may not include the words or abbreviations "cooperative," "corporation," "corp.,"
32 "Co.," "incorporated," "Inc.," "limited partnership," "L.P.," "LP," "limited liability partner-
33 ship," "L.L.P.," "LLP," "Ltd." or any derivation of the words or abbreviations specified in
34 this subsection.

35 (3)(a) Except as provided in subsection (5) of this section, the name of a limited liability
36 company and the name under which a foreign limited liability company may register to do
37 business in this state must be distinguishable in the records of the Secretary of State from:

38 (A) The name of an existing person the formation of which required the Secretary of
39 State to file a record, if the person is not administratively dissolved at the time of the filing;

40 (B) The name of a limited liability partnership for which a statement of qualification is
41 in effect;

42 (C) The name of a person that is registered to do business in this state as a result of the
43 Secretary of State's filing a record;

44 (D) A name that a person reserved under section 14 of this 2025 Act or registered under
45 section 15 of this 2025 Act or under another law of this state that provides for reserving or

1 registering a name by having the Secretary of State file a record; and

2 (E) A name registered under ORS chapter 648.

3 (b) A determination as to whether a name is distinguishable in the records of the Sec-
 4 retary of State from a name specified in paragraph (a) of this subsection may not depend on
 5 the use or inclusion in either name the words or abbreviations “corporation,” “corp.,”
 6 “Co.,” “incorporated,” “Inc.,” “professional corporation,” “P.C.,” “PC,” “professional associ-
 7 ation,” “P.A.,” “PA,” “limited,” “Ltd.,” “limited partnership,” “L.P.,” “LP,” “limited liability
 8 partnership,” “L.L.P.,” “LLP,” “registered limited liability partnership,” “R.L.L.P.,”
 9 “RLLP,” “limited liability limited partnership,” “L.L.L.P.,” “LLLPL,” “registered limited li-
 10 ability limited partnership,” “R.L.L.L.P.,” “RLLLP,” “limited liability company,” “L.L.C.,”
 11 “LLC,” “cooperative,” “limited cooperative association,” “limited cooperative,” “L.C.A.” or
 12 “LCA.”

13 (c) Notwithstanding the prohibition in paragraph (b) of this subsection, a person may
 14 consent in a record delivered to the Secretary of State for filing to another person’s use of
 15 a name that is not distinguishable from the person’s name in the records of the Secretary
 16 of State but for the use or inclusion of a word or abbreviation specified in paragraph (b) of
 17 this subsection. If the person consents as provided in this paragraph, the other person need
 18 not change the other person’s name.

19 (4) If a person consents in a record delivered to the Secretary of State for filing to an-
 20 other person’s use of the person’s name, the other person may use the person’s name if the
 21 person also submits to the Secretary of State a request to change the person’s name to a
 22 different name that is distinguishable in the records of the Secretary of State as provided in
 23 subsection (3)(a) of this section.

24 (5) A limited liability company or foreign limited liability company may use a name that
 25 is not distinguishable in the records of the Secretary of State as provided in subsection (3)(a)
 26 of this section if the limited liability company or foreign limited liability company delivers
 27 to the Secretary of State for filing a certified copy of a final court judgment or order that
 28 establishes the limited liability company’s or foreign limited liability company’s right to use
 29 the name in this state.

30 **SECTION 14. Reservation of Name.** (1) A person may reserve the exclusive use of a name
 31 that complies with section 13 of this 2025 Act by delivering an application for the reservation
 32 to the Secretary of State for filing in a form the Secretary of State specifies by rule. The
 33 application must state the name and address of the applicant and the name the applicant
 34 intends to reserve. If the Secretary of State finds that the intended name is available, the
 35 Secretary of State shall, for a period of 120 days, reserve the name for the applicant’s ex-
 36 clusive use.

37 (2) A person that has reserved a name under subsection (1) of this section may transfer
 38 the reservation to another person by delivering to the Secretary of State for filing a record
 39 that includes a signed notice of the transfer with the name and address of the other person
 40 to which the person transferred the reservation.

41 **SECTION 15. Registration of Name.** (1) A foreign limited liability company that is not
 42 registered to do business in this state under section 77 of this 2025 Act may register the
 43 company’s name if the name is distinguishable in the records of the Secretary of State as
 44 provided in section 13 of this 2025 Act.

45 (2)(a) To register a name as provided in subsection (1) of this section, a foreign limited

1 liability company shall deliver to the Secretary of State for filing an application that:

2 (A) States the name of the foreign limited liability company, the company's jurisdiction
3 of formation and the date of formation;

4 (B) Describe the nature of the foreign limited liability company's business and declare
5 that the foreign limited liability company is not currently doing business in this state; and

6 (C) Include a certificate of existence or a document of similar legal effect that was valid
7 within the 60 days before the date of the application and that is duly authenticated by the
8 official that has custody of the records of limited liability company registrations in the for-
9 eign limited liability company's jurisdiction of formation. A foreign limited liability company
10 need not submit a certificate of existence or equivalent document if the official provides free
11 access via the Internet to a searchable database that has evidence of limited liability com-
12 pany registrations.

13 (b) If the Secretary of State finds that the name for which a foreign limited liability
14 company applied for registration under paragraph (a) of this subsection is available, the
15 Secretary of State shall register the name for the applicant's exclusive use.

16 (3)(a) The registration of a name under this section is effective for one year after the
17 date of registration.

18 (b) A foreign limited liability company with a name registration that is effective under
19 this section may renew the registration for successive one-year periods by delivering, not
20 earlier than three months before the expiration of the registration, a renewal application to
21 the Secretary of State for filing. The renewal is effective on the date on which the Secretary
22 of State files the renewal application. The renewed registration expires one year after the
23 renewal application's filing date.

24 (4) A foreign limited liability company may use the name that the Secretary of State
25 registered under subsection (2)(b) of this section to register under section 77 of this 2025 Act.

26 (5) A foreign limited liability company with an effective name registration may consent
27 in a signed record to the use of the name by another person that is not an individual. To
28 consent to the use, the foreign limited liability company shall deliver to the Secretary of
29 State for filing a record that includes a signed notice of the consent with the name and ad-
30 dress of the person to which the foreign limited liability company gave consent.

31 **SECTION 16. Registered Agent.** (1) Each limited liability company and each registered
32 foreign limited liability company shall designate and maintain a registered agent in this
33 state. The designation of a registered agent is an affirmation of fact by the limited liability
34 company or registered foreign limited liability company that the registered agent has con-
35 sented to serve.

36 (2) A registered agent for a limited liability company or registered foreign limited liability
37 company must have a place of business in this state that is located at a physical street ad-
38 dress at which process may be personally served on the registered agent. The registered
39 agent's office may not be a commercial mail receiving agency, a mail forwarding business
40 or a virtual office.

41 (3) Compliance with sections 1 to 125 of this 2025 Act requires of a registered agent only
42 the following duties:

43 (a) To forward to a limited liability company or registered foreign limited liability com-
44 pany any process, notice or demand that is received by or served on the registered agent to
45 the address for forwarding that the limited liability company or registered foreign limited

1 liability company most recently supplied to the registered agent.

2 (b) To provide the notice required under section 18 (3) of this 2025 Act to the limited li-
3 ability company or registered foreign limited liability company at the address most recently
4 supplied to the registered agent by the limited liability company or registered foreign limited
5 liability company, if the registered agent resigns.

6 (c) To keep current the information with respect to the registered agent in the articles
7 of organization or in the registration statement, in accordance with section 19 of this 2025
8 Act.

9 **SECTION 17. Change of Registered Agent or Address for Registered Agent by LLC.** (1)
10 A limited liability company or registered foreign limited liability company may change the
11 company's registered agent or may change the address of the company's registered agent
12 by:

13 (a) Delivering to the Secretary of State for filing or, if required, to the appropriate gov-
14 ernment official of another jurisdiction, a statement of change that states:

15 (A) The name of the limited liability company or registered foreign limited liability com-
16 pany; and

17 (B) The name and address of the new registered agent or the new address of the existing
18 registered agent; or

19 (b) Amending the limited liability company's articles of organization or the registered
20 foreign limited liability company's registration statement to record current information for
21 the registered agent.

22 (2) A statement of change under this section designating a new registered agent is an
23 affirmation of fact by the limited liability company or registered foreign limited liability
24 company that the new registered agent has consented to serve.

25 (3) Replacing a registered agent or changing the registered agent's address under sub-
26 section (1)(a) of this section does not require the approval of the members or managers of
27 a limited liability company or registered foreign limited liability company.

28 **SECTION 18. Resignation of a Registered Agent.** (1) A registered agent may resign as a
29 registered agent for a limited liability company or registered foreign limited liability company
30 by delivering to the Secretary of State for filing a statement of resignation that states:

31 (a) The registered agent's name and address;

32 (b) The name and address of the limited liability company or registered foreign limited
33 liability company for which the registered agent currently serves as a registered agent;

34 (c) That the registered agent resigns from serving as registered agent for the limited li-
35 ability company or registered foreign limited liability company; and

36 (d) The address to which the registered agent will send the notice required under sub-
37 section (3) of this section.

38 (2) A statement of resignation takes effect on the earlier of:

39 (a) The 31st day after the date on which the Secretary of State files the statement; or

40 (b) The date on which a limited liability company or registered foreign limited liability
41 company designates a new registered agent.

42 (3) A registered agent that resigns shall promptly deliver to the limited liability company
43 or registered foreign limited liability company notice in a record of the date on which a
44 statement of resignation was filed.

45 (4) A registered agent may resign as the registered agent for a limited liability company

1 or registered foreign limited liability company whether the limited liability company or the
2 registered foreign limited liability company is in good standing.

3 (5) When a statement of resignation takes effect, the registered agent ceases to have
4 responsibility under sections 1 to 125 of this 2025 Act for any matter tendered to the regis-
5 tered agent as the registered agent for a limited liability company or registered foreign lim-
6 ited liability company, except that the resignation does not affect any contractual rights that
7 the limited liability company or registered foreign limited liability company has against the
8 registered agent or that the registered agent has against the limited liability company or
9 registered foreign limited liability company.

10 **SECTION 19. Change of Name or Address by Registered Agent.** (1) If a registered agent
11 changes the registered agent's name or address, the registered agent may deliver to the
12 Secretary of State for filing a statement of change that states:

13 (a) The name and address of the limited liability companies or registered foreign limited
14 liability companies for which the registered agent serves as a registered agent;

15 (b) The name of the registered agent as currently shown in the records of the Secretary
16 of State;

17 (c) The new name of the registered agent, if the name of the registered agent has
18 changed; and

19 (d) The new address of the registered agent, if the address of the registered agent has
20 changed.

21 (2) A new address for a registered agent must comply with the requirements set forth
22 in section 16 (2) of this 2025 Act.

23 (3) A registered agent shall promptly deliver notice to the limited liability companies or
24 registered foreign limited liability companies for which the registered agent serves as a reg-
25 istered agent of the filing by the Secretary of State of the statement of change and the
26 changes made by the statement.

27 **SECTION 20. Service of Process, Notice or Demand.** (1) A limited liability company or
28 registered foreign limited liability company may be served with any process, notice or de-
29 mand required or permitted by law by serving the registered agent of the limited liability
30 company or registered foreign limited liability company.

31 (2) If a limited liability company or registered foreign limited liability company ceases to
32 have a registered agent or if the registered agent cannot with reasonable diligence be served,
33 the limited liability company or registered foreign limited liability company may be served
34 by registered or certified mail, return receipt requested, or by a similar commercial delivery
35 service, addressed to the principal office of the limited liability company or registered foreign
36 limited liability company as shown in the most recent annual report of the limited liability
37 company or registered foreign limited liability company filed by the Secretary of State.

38 (3) Service is effected under this section on the earliest of:

39 (a) The date the limited liability company or registered foreign limited liability company
40 receives the process, notice or demand from the United States Postal Service or the com-
41 mercial delivery service;

42 (b) The date shown on the return receipt, if the limited liability company or registered
43 foreign limited liability company signed the return receipt; or

44 (c) Five days after the process, notice or demand is deposited with the United States
45 Postal Service or a commercial delivery service, if the process, notice or demand is correctly

1 addressed with sufficient postage or payment.

2 (4) If a service of process, notice or demand cannot be served on a limited liability com-
 3 pany or registered foreign limited liability company under subsection (1) or (2) of this sec-
 4 tion, the limited liability company or registered foreign limited liability company may be
 5 served by:

6 (a) Handing a copy of the process, notice or demand to the individual who is in charge
 7 of any regular place of business or activity of the limited liability company or registered
 8 foreign limited liability company, if the individual served is not a plaintiff in the action;

9 (b) Delivering the process, notice or demand to the Secretary of State, who is the regis-
 10 tered agent of the limited liability company or registered foreign limited liability company for
 11 this purpose; or

12 (c) Other means provided by law other than sections 1 to 125 of this 2025 Act.

13 (5) Service of process, notice or demand must be in a written record.

14 **SECTION 21. Delivery of Record.** (1) Except as otherwise provided in sections 1 to 125
 15 of this 2025 Act, permissible means of delivery of a record include delivery by hand, by mail,
 16 by conventional commercial practice or by electronic transmission.

17 (2) Delivery to the Secretary of State is effective only when the Secretary of State re-
 18 ceives the record.

19 **NOTE:** Section 22 was deleted. Subsequent sections were not renumbered.

20
 21 **ENFORCEMENT POWERS OF THE SECRETARY OF STATE**

22
 23 **SECTION 23. Investigations of Violations of Chapter; Confidentiality; Penalties; Admin-**
 24 **istrative Dissolution; Rules.** (1)(a) The Secretary of State may investigate an alleged or po-
 25 tential violation of sections 1 to 125 of this 2025 Act and, in the course of the investigation
 26 or in response to a request from a law enforcement agency, may order a limited liability
 27 company to:

28 (A) Prepare and submit to the Secretary of State within 30 days the list described in
 29 section 50 (1)(a)(J) of this 2025 Act; and

30 (B) Answer within 30 days any interrogatory that is related to an alleged or potential
 31 violation of sections 1 to 125 of this 2025 Act that the Secretary of State submits to the
 32 limited liability company.

33 (b) Notwithstanding the provisions of ORS 192.311 to 192.478, the list described in para-
 34 graph (a)(A) of this subsection and information that the Secretary of State obtains from an
 35 interrogatory under paragraph (a)(B) of this subsection is not subject to public disclosure.
 36 The Secretary of State may provide a law enforcement agency with the list described in
 37 paragraph (a)(A) of this subsection and information the Secretary of State obtains from an
 38 interrogatory under paragraph (a)(B) of this subsection.

39 (2)(a) If a limited liability company fails to comply with an order from the Secretary of
 40 State under subsection (1) of this section, the Secretary of State may:

41 (A) Impose a civil penalty on the limited liability company in accordance with ORS
 42 183.745;

43 (B) Cancel or revoke an organization, or revoke a foreign limited liability company's au-
 44 thorization to do business in this state, after conducting a hearing under ORS 183.413 to
 45 183.470; or

1 (C) Administratively dissolve the limited liability company in accordance with section 66
2 of this 2025 Act.

3 (b) The Secretary of State shall provide in an order that imposes a civil penalty under
4 paragraph (a)(A) of this subsection that the civil penalty is not due and payable until after
5 the order becomes final following any appeal of the order or, if an appeal does not occur,
6 after the order becomes final by operation of law.

7 (3)(a) The Director of the Department of Revenue may recommend to the Secretary of
8 State that the Secretary of State administratively dissolve a limited liability company for a
9 failure to comply with the tax laws of the state, but the director may not recommend ad-
10 ministrative dissolution if the director has allowed an appeal of the limited liability
11 company's tax liability, or of another action of the Department of Revenue related to the
12 limited liability company's failure to comply with the tax laws of the state, or if an appeal
13 is pending. If the Secretary of State agrees with the director, the Secretary of State may
14 dissolve the limited liability company under section 66 of this 2025 Act.

15 (b) The Secretary of State, in consultation with the department, may specify what con-
16 stitutes a failure to comply with the tax laws of the state for the purposes set forth in par-
17 agraph (a) of this subsection.

18 (4) The Secretary of State may not reinstate a limited liability company that was ad-
19 ministratively or judicially dissolved unless, as appropriate:

20 (a) The limited liability company complies with the Secretary of State's order under
21 subsection (1) of this section;

22 (b) A law enforcement agency that has completed an investigation of the limited liability
23 company for which the Secretary of State canceled or revoked organization or revoked an
24 authorization to transact business in this state recommends that the Secretary of State al-
25 low the organization or reinstatement;

26 (c) A court order compels a reinstatement; or

27 (d) The department recommends a reinstatement.

28 (5) A limited liability company may appeal in accordance with ORS 183.480 to 183.500 an
29 order the Secretary of State issues or an action the Secretary of State takes under this
30 section.

31 (6) The Secretary of State and the director may each adopt rules to implement the pro-
32 visions of this section.

33 ORGANIZATION

34 **SECTION 24. Formation of Limited Liability Company.** (1)(a) One or more persons may
35 act as organizers to form a limited liability company by delivering to the Secretary of State
36 for filing articles of organization. The articles of organization must state:

37 (A) The name of the limited liability company, which must comply with section 13 of this
38 2025 Act;

39 (B) The name and address of each organizer;

40 (C) The initial physical street address, including the number and name of the street, and
41 the mailing address, if the mailing address is different, for the limited liability company's
42 principal office;

43 (D) The name and address of at least one individual who is a member or manager, or an
44
45

1 authorized representative, with direct knowledge of the operations and business activities
 2 of the limited liability company;

3 (E) The name and the physical street address, including the number and name of the
 4 street, and the mailing address, if the mailing address is different, for the limited liability
 5 company's registered agent; and

6 (F) The nature of any professional service, as defined in ORS 58.015, that the limited li-
 7 ability company will render, if the limited liability company will render a professional service.

8 (b) A person may not organize a limited liability company under sections 1 to 125 of this
 9 2025 Act for any illegal purpose or with an intent to fraudulently conceal any business ac-
 10 tivity from another person or a governmental agency.

11 (2)(a) Articles of organization may include statements as to matters other than the
 12 statements required under subsection (1) of this section, but the other statements may not
 13 vary or otherwise affect the provisions of an operating agreement for the limited liability
 14 company in a manner that is inconsistent with the requirements of section 6 (3) of this 2025
 15 Act.

16 (b) A statement included in articles of organization is not effective as a statement of
 17 authority.

18 (3) A limited liability company is organized when the articles of organization become ef-
 19 fective.

20 **SECTION 25. Amendment or Restatement of Articles of Organization.** (1) A limited li-
 21 ability company may amend or restate the company's articles of organization at any time.

22 (2) To amend articles of organization, the limited liability company shall deliver to the
 23 Secretary of State for filing a record that states:

24 (a) The name of the limited liability company;

25 (b) The date of filing of the initial articles of organization; and

26 (c) The text of the amendment.

27 (3) To restate articles of organization, a limited liability company shall deliver to the
 28 Secretary of State for filing a record that in the title or heading indicates that the record
 29 is a restatement.

30 (4) If a member of a member-managed limited liability company or a manager of a
 31 manager-managed limited liability company knows that any information in filed articles of
 32 organization was inaccurate when the articles were filed or has become inaccurate since the
 33 date of filing because of changed circumstances, the member or manager shall promptly:

34 (a) Cause the articles of organization to be amended as provided in subsection (2) of this
 35 section; or

36 (b) Deliver to the Secretary of State for filing a statement of change, as provided in
 37 section 17 of this 2025 Act or a statement of correction under section 32 of this 2025 Act, as
 38 appropriate.

39 **SECTION 26. Signing of Records to be Delivered for Filing to Secretary of State.** (1) Ex-
 40 cept as otherwise provided in sections 1 to 125 of this 2025 Act, a record that must be deliv-
 41 ered to the Secretary of State for filing under sections 1 to 125 of this 2025 Act must be
 42 signed as follows:

43 (a) At least one of the persons that intend to organize a limited liability company must
 44 sign the company's initial articles of organization.

45 (b) At least one member or manager must sign any amendment to the articles of or-

1 **ganization and must sign the limited liability company's annual report.**

2 **(c) A receiver, trustee or other court-appointed fiduciary must sign a record on behalf**
3 **of a limited liability company that the receiver, trustee or fiduciary controls.**

4 **(2) Records other than records described in subsection (1) of this section that are deliv-**
5 **ered to the Secretary of State for filing under sections 1 to 125 of this 2025 Act must be**
6 **signed as follows:**

7 **(a) Except for a record described in paragraph (b) of this subsection, a record that a**
8 **limited liability company signs must be signed by a person that the company has authorized**
9 **to sign the record.**

10 **(b) A person that under section 61 (3) or (4) of this 2025 Act winds up, or is appointed to**
11 **wind up, the activities and affairs of a dissolved limited liability company without members**
12 **must sign a record delivered on behalf of the dissolved limited liability company.**

13 **(c) A statement of denial by a person under section 38 of this 2025 Act must be signed**
14 **by the person.**

15 **(3) Except as otherwise provided in subsections (1) and (2) of this section, a person that**
16 **on the person's own behalf delivers a record to the Secretary of State for filing must sign**
17 **the record.**

18 **(4)(a) An agent or legal representative of a person described in this section may sign a**
19 **record on behalf of the person if the person authorizes the agent or legal representative to**
20 **sign the record. An agent or legal representative that signs a record under this subsection**
21 **affirms as a fact that the agent or legal representative is authorized to sign the record.**

22 **(b) If under sections 1 to 125 of this 2025 Act a particular individual must sign a record**
23 **and the individual is deceased or incompetent, a legal representative of the individual may**
24 **sign the record.**

25 **(5) A person that signs a record that is delivered to the Secretary of State for filing,**
26 **under penalty of perjury:**

27 **(a) Shall:**

28 **(A) Sign below a written declaration that states that the record does not fraudulently**
29 **conceal, fraudulently obscure, fraudulently alter or otherwise misrepresent the identity of**
30 **the person signing the record or of any of the members, managers, employees or agents of**
31 **the limited liability company on behalf of which the person signs the record; and**

32 **(B) State beneath or opposite the signature the person's name and the capacity in which**
33 **the person signs.**

34 **(b) Affirms that the information in the record is accurate.**

35 **SECTION 27. Signing and Filing Pursuant to Judicial Order. (1) If a person required**
36 **under sections 1 to 125 of this 2025 Act to sign or deliver a record to the Secretary of State**
37 **for filing does not sign or deliver the record, any other person that is aggrieved by the failure**
38 **to sign or deliver the record may petition a state or federal court of competent jurisdiction**
39 **to:**

40 **(a) Order the person to sign or deliver the record to the Secretary of State for filing; or**

41 **(b) Order the Secretary of State to file the record unsigned.**

42 **(2) If the petitioner under subsection (1) of this section is not the limited liability com-**
43 **pany or foreign limited liability company to which the record pertains, the petitioner shall**
44 **make the limited liability company or foreign limited liability company a party to the action.**

45 **(3) A record filed under subsection (1)(b) of this section is effective without a signature.**

1 **SECTION 28. Liability for Inaccurate Information in Filed Record.** (1) If the Secretary
2 of State files a record containing inaccurate information, a person that suffers a loss because
3 of the person's reasonable reliance on the information in the record may recover damages
4 for the loss from:

5 (a) A person that signed the record, or caused another person to sign on the person's
6 behalf, and knew that the information was inaccurate at the time the record was signed; or

7 (b) Subject to subsection (3) of this section, a member of a member-managed limited li-
8 ability company or a manager of a manger-managed limited liability company if:

9 (A) The record was delivered for filing on behalf of the limited liability company; and

10 (B) The member or manager knew or had notice of the inaccuracy for a reasonably suf-
11 ficient time before the aggrieved information was relied upon so that, before the reliance,
12 the member or manager could have:

13 (i) Amended the record under section 25 of this 2025 Act;

14 (ii) Filed a petition under section 27 of this 2025 Act; or

15 (iii) Delivered to the Secretary of State for filing a statement of change under section
16 17 of this 2025 Act or a statement of correction under section 32 of this 2025 Act.

17 (2) To the extent that the operating agreement for a member-managed limited liability
18 company expressly relieves a member of responsibility for maintaining the accuracy of in-
19 formation in records delivered on behalf of the limited liability company to the Secretary of
20 State for filing under sections 1 to 125 of this 2025 Act and imposes the responsibility on one
21 or more other members, the liability described in subsection (1)(b) of this section applies to
22 the other members and not to the member that the operating agreement relieves of the re-
23 sponsibility.

24 (3) An individual who signs a record authorized or required to be filed under sections 1
25 to 125 of this 2025 Act affirms under penalty of perjury that the information stated in the
26 record is accurate.

27 **SECTION 29. Filing Requirements.** (1) For the Secretary of State to file a record under
28 sections 1 to 125 of this 2025 Act:

29 (a) The Secretary of State must receive the record in writing via physical delivery or, if
30 the Secretary of State permits electronic delivery, via electronic delivery in accordance with
31 requirements the Secretary of State specifies;

32 (b) Sections 1 to 125 of this 2025 Act must require or permit filing the record;

33 (c) The words in the record must be legible and in the English language and any numbers
34 in the record must be Arabic or Roman numerals, except that the name of an entity in the
35 record need not be in English if the name is written using the Roman alphabet and Arabic
36 or Roman numerals;

37 (d) A person authorized or required to sign the record under sections 1 to 125 of this 2025
38 Act must sign the record as provided in section 26 (5) of this 2025 Act;

39 (e) Any fee the Secretary of State or a law of this state requires for filing the record
40 must be paid in a manner that the Secretary of State or the applicable law permits; and

41 (f) The record must otherwise comply with sections 1 to 125 of this 2025 Act.

42 (2)(a) The Secretary of State may prescribe a form or a cover sheet for a record that
43 sections 1 to 125 of this 2025 Act require or permit to be delivered for filing. Unless the
44 Secretary of State specifies that the form or cover sheet is mandatory, a record delivered
45 for filing need not use the form or cover sheet.

1 (b) If the Secretary of State prescribes a mandatory form or cover sheet for a record,
2 including an electronic form or cover sheet, a record delivered to the Secretary of State for
3 filing must be in or on the prescribed form or must include the prescribed cover sheet. The
4 Secretary of State shall make versions of the form or cover sheet available in at least the
5 five languages that are most commonly spoken and written in this state by persons with
6 limited proficiency in the English language. Each version of the form or cover sheet must
7 include an English translation of the form's contents.

8 (c) For the purposes described in paragraph (b) of this subsection, the Secretary of State
9 shall specify Spanish, Chinese, Vietnamese, Russian and Korean as the five languages that
10 are most commonly spoken and written in this state by persons with limited proficiency in
11 the English language. The Secretary of State shall review the specification in this paragraph
12 after the completion of the 2030 United States Census and each subsequent decennial census
13 and shall recommend in a report to the Joint Committee on Ways and Means any changes
14 in the specification that the Secretary of State deems necessary. The Secretary of State may
15 change the specification only after receiving the approval of the Legislative Assembly and
16 an appropriation in an amount that is sufficient to pay the costs of updating each version
17 of the mandatory form or cover sheet and any system the Secretary of State uses to process
18 the mandatory form or cover sheet.

19 (d) If a person completes with, or attaches to, a form or cover sheet described in para-
20 graphs (b) or (c) of this subsection information written in a language other than English, the
21 person shall submit a reasonably authenticated English translation of the information along
22 with the form or cover sheet.

23 (3) Notwithstanding the requirement set forth in subsection (1)(c) of this section, articles
24 of organization may be written in a language other than English if a reasonably
25 authenticated English translation accompanies the articles of organization.

26 (4) A record that a person delivers to the Secretary of State for filing may include a seal,
27 attestation, acknowledgment or verification.

28 **SECTION 30. Effective Date and Time.** (1) Except as otherwise provided in section 31 of
29 this 2025 Act and subject to section 32 of this 2025 Act, a record filed under sections 1 to 125
30 of this 2025 Act is effective:

31 (a) On the date the Secretary of State files the record, as provided in section 33 (2) of
32 this 2025 Act, and at the time specified in the record as the effective time, or at 12:01 a.m.
33 on the date the Secretary of State files the record, if the record does not specify an effective
34 time;

35 (b) At a specified delayed effective date and time; or

36 (c) At 12:01 a.m. on the specified delayed effective date, if the record specifies a delayed
37 effective date but not a specific time.

38 (2) A delayed effective date under subsection (1)(b) or (c) of this section may not be more
39 than 90 days after the filing date.

40 **SECTION 31. Withdrawal of Filed Record Before Effectiveness.** (1) Except as otherwise
41 provided in sections 100, 106, 112 and 118 of this 2025 Act, a record delivered to the Secretary
42 of State for filing may be withdrawn before the record becomes effective by delivering to the
43 Secretary of State for filing a statement of withdrawal that:

44 (a) Is signed by each person that signed the record that is to be withdrawn, unless the
45 persons agree otherwise;

1 (b) Identifies the record that is to be withdrawn; and

2 (c) States that the record is withdrawn in accordance with the agreement of all of the
3 persons that signed the record, if fewer persons sign the statement of withdrawal than
4 signed the record.

5 (2) Once the Secretary of State files the statement of withdrawal, the action or trans-
6 action for which the originally filed record was evidence does not become effective.

7 **SECTION 32. Correcting Filed Record.** (1) A person may correct a record that was de-
8 livered to the Secretary of State for filing if the record was delivered for filing on the
9 person's behalf and:

10 (a) The record at the time of filing was inaccurate;

11 (b) The record was defectively signed; or

12 (c) The electronic transmission of the record to the Secretary of State was defective.

13 (2)(a) To correct a filed record, a person on whose behalf the record was delivered to the
14 Secretary of State must deliver to the Secretary of State for filing a statement of correction
15 that:

16 (A) Is signed by the person that is correcting the record;

17 (B) Identifies the filed record that is to be corrected;

18 (C) Specifies the inaccuracy or defect that is to be corrected; and

19 (D) Corrects the inaccuracy or defect.

20 (b) A statement of correction may not specify a delayed effective date.

21 (3) A statement of correction is effective as of the effective date of the filed record that
22 the statement corrects, except that the statement of correction is effective upon filing for
23 purposes of section 4 (4) of this 2025 Act and as to a person that reasonably relies on the
24 uncorrected record and is adversely affected by the correction.

25 **SECTION 33. Duty of Secretary of State to File; Review of Refusal to File; Delivery of**
26 **Record by Secretary of State.** (1) The Secretary of State shall file a record delivered to the
27 Secretary of State for filing that complies with the requirements of sections 1 to 125 of this
28 2025 Act or other applicable law. The Secretary of State's duty under this section is
29 ministerial.

30 (2)(a) When the Secretary of State files a record, the Secretary of State shall acknowl-
31 edge that the record is filed on the date of delivery or as soon as practicable after the date
32 of delivery.

33 (b) After filing a record, the Secretary of State shall provide to the person that delivered
34 the record for filing a copy of the record on or attached to which appears a written ac-
35 knowledgment of the date of filing.

36 (c) If the record the Secretary of State files is a statement of denial, in addition to pro-
37 viding a copy of the record as described in paragraph (b) of this subsection, the Secretary
38 of State shall provide to the limited liability company to which the statement pertains a copy
39 of the record and the acknowledgment.

40 (3)(a) If the Secretary of State refuses to file a record, the Secretary of State shall, not
41 later than 10 business days after the record is delivered for filing:

42 (A) Return the record or notify the person that delivered the record for filing of the re-
43 fusals; and

44 (B) Provide a brief explanation in a record of the reason for the refusal.

45 (b) In addition to seeking any other legal remedy available, a limited liability company

1 or registered foreign limited liability company may appeal under ORS 183.413 to 183.497 the
 2 Secretary of State's refusal to file a record.

3 (4) The Secretary of State's filing or refusing to file a record does not:

4 (a) Affect the validity or invalidity of the record in whole or in part; or

5 (b) Create a presumption that the information in the record is accurate or inaccurate.

6 (5) Except as otherwise provided in section 20 of this 2025 Act or in other applicable law,
 7 the Secretary of State may deliver any record to a person by delivering the record:

8 (a) In person to the person that delivered the record for filing;

9 (b) To the address of the person's registered agent;

10 (c) To the address of the person's principal office; or

11 (d) To another address that the person that delivered the record for filing provides to the
 12 Secretary of State.

13 **SECTION 34. Certificate of Existence or Authorization.** (1) The Secretary of State shall
 14 issue a certificate of existence for a limited liability company or a certificate of authorization
 15 to do business in this state for a registered foreign limited liability company to any person
 16 that requests the certificate.

17 (2) A certificate that the Secretary of State issues under subsection (1) of this section
 18 is valid if the certificate:

19 (a) Displays the name of the limited liability company or the name that the registered
 20 foreign limited liability company uses in this state;

21 (b) States, for a limited liability company, that:

22 (A) Articles of organization were filed and are in effect;

23 (B) A statement of dissolution, statement of administrative dissolution or statement of
 24 termination has not been filed and the records of the Secretary of State do not otherwise
 25 reflect that the limited liability company is dissolved or was terminated; and

26 (C) A proceeding to administratively dissolve the limited liability company is not pending
 27 under section 66 of this 2025 Act;

28 (c) Displays the date on which the limited liability company's articles of organization
 29 became effective;

30 (d) States, for a registered foreign limited liability company, that the registered foreign
 31 limited liability company is registered to do business in this state;

32 (e) States that the limited liability company or registered foreign limited liability com-
 33 pany has paid all fees owed to the state that the Secretary of State is responsible for col-
 34 lecting, if:

35 (A) The records of the Secretary of State reflect the payment; and

36 (B) A failure to pay affects the existence or registration of the limited liability company
 37 or registered foreign limited liability company; and

38 (f) States that the most recent annual report required from the limited liability company
 39 or registered foreign limited liability company under section 35 of this 2025 Act was delivered
 40 to the Secretary of State for filing.

41 (3) A certificate of existence or certificate of authorization that the Secretary of State
 42 issues under subsection (1) of this section is conclusive evidence of the facts described in
 43 subsection (2) of this section, unless the certificate states otherwise.

44 **SECTION 35. Annual Report for Secretary of State.** (1)(a) A domestic limited liability
 45 company or a registered foreign limited liability company shall deliver to the Secretary of

1 State for filing an annual report that sets forth:

2 (A) The name of the limited liability company or registered foreign limited liability com-
3 pany and the state or country under the laws of which the registered foreign limited liability
4 company is organized;

5 (B) The address of the limited liability company's or registered foreign limited liability
6 company's registered office in this state and the name of the registered agent at the regis-
7 tered office;

8 (C) The address and mailing address, if the mailing address is different, of the limited
9 liability company's or registered foreign limited liability company's principal office;

10 (D) The names and addresses of the managers of a manager-managed limited liability
11 company or registered foreign limited liability company or the name and address of at least
12 one member of a member-managed limited liability company or registered foreign limited li-
13 ability company;

14 (E) A description of the primary business activity of the limited liability company; and

15 (F) Additional identifying information that the Secretary of State requires by rule.

16 (b) Each address that under paragraph (a) of this subsection must be set forth in an
17 annual report must be a physical address that includes the number and street name.

18 (2)(a) A limited liability company or registered foreign limited liability company shall de-
19 liver the annual report to the Secretary of State for filing on or before the date each year
20 that is exactly one or more years after the date on which the Secretary of State filed the
21 articles of organization for a limited liability company or the registration statement for a
22 registered foreign limited liability company.

23 (b) Information in an annual report must be current as of 30 days before the date on
24 which the limited liability company or registered foreign limited liability company delivers
25 the annual report to the Secretary of State for filing in accordance with paragraph (a) of this
26 subsection.

27 (3) The Secretary of State shall mail an annual report form to any address shown for the
28 limited liability company or registered foreign limited liability company in the current re-
29 cords of the Secretary of State. At a minimum, the annual report form must explain the
30 requirements set forth in this section for the annual report. A limited liability company's
31 or registered foreign limited liability company's failure to receive an annual report form
32 from the Secretary of State does not relieve the limited liability company or registered for-
33 eign limited liability company of the duty under this section to deliver an annual report to
34 the Secretary of State for filing.

35 (4) If an annual report does not have the information this section requires, the Secretary
36 of State shall notify the limited liability company or registered foreign limited liability com-
37 pany in writing and return the annual report for correction. The limited liability company
38 or registered foreign limited liability company must correct the error within 45 days after
39 the Secretary of State gives the notice.

40 (5)(a) A limited liability company or registered foreign limited liability company may up-
41 date information in an annual report filing at any time by delivering to the Secretary of State
42 for filing:

43 (A) An amendment to the annual report, if a change in the information set forth in the
44 annual report occurs after the report was delivered to the Secretary of State for filing and
45 before the date on which the next annual report is due from the limited liability company

1 or registered foreign limited liability company; or

2 (B) A statement with the change if the update occurs before the limited liability company
3 or registered foreign limited liability company files a first annual report.

4 (b) This subsection does not apply to an update of information that requires an amend-
5 ment to a limited liability company's articles of organization or to a registered foreign lim-
6 ited liability company's statement of registration.

7 (c) An amendment to the annual report under paragraph (a)(A) of this subsection must
8 set forth:

9 (A) The name of the limited liability company or the registered foreign limited liability
10 company as shown in the records of the Secretary of State; and

11 (B) The information as updated.

12
13 **RELATIONS OF MEMBERS AND MANAGERS TO PERSONS**
14 **DEALING WITH A LIMITED LIABILITY COMPANY**

15
16 **SECTION 36. Agency of Managers and Members; Authority to Transfer Interest in Real**
17 **Property; Agency of Managers and Members After Dissolution; Liability.** (1) Subject to sub-
18 sections (2) and (3) of this section:

19 (a) Each member is an agent of a limited liability company for the purpose of the limited
20 liability company's business. An act of a member, including signing an instrument in the
21 limited liability company's name, that apparently carries on the business of the limited li-
22 ability company in the ordinary course, or carries on business of the kind the limited liability
23 company carries on, binds the limited liability company, unless the member had no authority
24 to act for the limited liability company in the particular matter and the person with whom
25 the member was dealing knew or had notice that the member lacked authority.

26 (b) An act of a member that does not apparently carry on the business of the limited li-
27 ability company in the ordinary course, or carry on business of the kind the limited liability
28 company carries on, binds the limited liability company only if the other members authorized
29 the act.

30 (2) Subject to subsection (3) of this section, in a manager-managed limited liability com-
31 pany:

32 (a) A member is not an agent of the limited liability company for the purpose of the
33 limited liability company's business solely by reason of being a member. Each manager is an
34 agent of the limited liability company for the purpose of the limited liability company's
35 business. An act of a manager, including signing an instrument in the limited liability
36 company's name, that apparently carries on the business of the limited liability company in
37 the ordinary course, or carries on business of the kind the limited liability company carries
38 on, binds the limited liability company, unless the manager had no authority to act for the
39 limited liability company in the particular matter and the person with whom the manager
40 was dealing knew or had notice that the manager lacked authority.

41 (b) An act of a manager that does not apparently carry on the business of the limited
42 liability company in the ordinary course, or carry on business of the kind the limited liability
43 company carries on, binds the limited liability company only if the act was authorized under
44 section 37 of this 2025 Act.

45 (3) Unless the articles of organization limit the authority of members, any member of a

1 member-managed limited liability company or manager of a manager-managed limited liabil-
2 ity company may sign and deliver any instrument that transfers or affects the limited li-
3 ability company's interest in real property. The instrument is conclusive in favor of a person
4 who gives value without knowledge that the person signing and delivering the instrument
5 lacks authority.

6 (4) Except as provided in subsections (5) and (6) of this section, and except as otherwise
7 provided in the articles of organization or any operating agreement, after dissolution of the
8 limited liability company, each member of a member-managed limited liability company and
9 each manager of a manager-managed limited liability company can bind the limited liability
10 company:

11 (a) By any act or omission appropriate for winding up the limited liability company's af-
12 fairs or completing transactions unfinished at dissolution; and

13 (b) By any transaction that would have bound the limited liability company if it had not
14 been dissolved, if the other party to the transaction does not have actual notice of the dis-
15 solution.

16 (5) An act or omission of a member or manager that would not be binding on the limited
17 liability company pursuant to subsection (1) of this section is binding if it is otherwise au-
18 thorized or ratified by the limited liability company.

19 (6) An act or omission of a member or manager that would be binding on the limited li-
20 ability company under subsection (4) of this section or that otherwise would be authorized,
21 but that is in contravention of a restriction on the authority of the member or manager,
22 shall not bind the limited liability company to persons having knowledge of the restriction.

23 (7) A limited liability company is liable for loss or injury caused to a person, or for a
24 penalty incurred, as a result of a wrongful act or omission, or other actionable conduct, of
25 a member or manager acting in the ordinary course of the business of the limited liability
26 company or with authority of the limited liability company.

27 (8) A person's status as a member or a manager does not prevent or restrict any law
28 other than sections 1 to 125 of this 2025 Act from imposing liability on a limited liability
29 company because of the conduct of the person.

30 **SECTION 37. Statement of Limited Liability Company Authority.** (1) A limited liability
31 company may deliver to the Secretary of State for filing a statement of authority. The
32 statement:

33 (a) Must include the name of the limited liability company and the name and address, or
34 mailing address, of the company's registered agent. Each address must be a physical address
35 that includes the number and street name.

36 (b) May state the authority, or limitations on the authority, of the limited liability com-
37 pany, of all persons that hold any position that exists in the limited liability company, or of
38 any specific person, to:

39 (A) Sign an instrument that transfers real property held in the name of the limited li-
40 ability company; or

41 (B) Enter into other transactions on behalf of, or otherwise act for or bind, the limited
42 liability company.

43 (2) To amend or cancel a statement of authority the Secretary of State has filed, the
44 limited liability company shall deliver to the Secretary of State for filing a record that in-
45 cludes all of the following information:

1 (a) The name of the limited liability company and the name and address, or mailing ad-
2 dress, of the company's registered agent. Each address must be a physical address that in-
3 cludes the number and street name.

4 (b) The date on which the Secretary of State filed the original statement of authority.

5 (c) The text of the amendment or a declaration that the statement of authority is can-
6 celed.

7 (3) A statement of authority affects only the power a person has to bind a limited liability
8 company to persons that are not members.

9 (4) Subject to subsection (3) of this section and section 4 (4) of this 2025 Act, and except
10 as provided in subsections (6), (7) and (8) of this section, a limitation in an effective state-
11 ment of authority on the authority of a person or of a position within a limited liability
12 company is not by itself evidence of any person's knowledge or notice of the limitation.

13 (5) Subject to subsection (3) of this section, if an effective statement of authority grants
14 authority that does not pertain to transfers of real property, the grant is conclusive in favor
15 of a person that gives value in reliance on the grant, except to the extent that when the
16 person gives value:

17 (a) The person has knowledge to the contrary;

18 (b) The limited liability company has canceled or restrictively amended the statement of
19 authority under subsection (2) of this section; or

20 (c) A limitation on the grant is in another statement of authority that became effective
21 after the statement of authority with the grant became effective.

22 (6) Subject to subsection (3) of this section, if an effective statement of authority grants
23 authority to transfer real property held in the name of a limited liability company and a
24 certified copy of the statement of authority is recorded with a county clerk as provided in
25 ORS 205.180, the grant is conclusive in favor of a person that gives value in reliance on the
26 grant without knowledge to the contrary, except to the extent that when the person gives
27 value:

28 (a) The limited liability company has canceled or restrictively amended the statement of
29 authority under subsection (2) of this section and a certified copy of the cancellation or re-
30 strictive amendment is recorded with a county clerk as provided in ORS 205.180; or

31 (b) A limitation on the grant is in another statement of authority that became effective
32 after the statement of authority with the grant became effective and a certified copy of the
33 other statement of authority is recorded with a county clerk as provided in ORS 205.180.

34 (7) Subject to subsection (3) of this section, if a certified copy of an effective statement
35 that limits the authority to transfer real property held in the name of a limited liability
36 company is recorded with a county clerk as provided in ORS 205.180, all persons are deemed
37 to know of the limitation.

38 (8) Subject to subsection (9) of this section, an effective statement of dissolution or
39 statement of termination is a cancellation of any filed statement of authority for the pur-
40 poses of subsection (6) of this section and is a limitation of authority for the purposes of
41 subsection (7) of this section.

42 (9) After a statement of dissolution becomes effective, a limited liability company may
43 deliver to the Secretary of State for filing a post-dissolution statement of authority and, if
44 appropriate, may record the post-dissolution statement of authority with a county clerk as
45 provided in ORS 205.180. A post-dissolution statement of authority operates as provided in

1 subsections (6) and (7) of this section.

2 (10) Unless canceled earlier, a statement of authority is canceled by operation of law five
3 years after the date on which the statement or the most recent amendment of the statement
4 became effective. A cancellation under this subsection does not require recording under
5 subsections (6) or (7) of this section.

6 (11) An effective statement of denial operates as a restrictive amendment under this
7 section and a certified copy of the statement may be recorded for the purposes of, and as
8 provided in, subsection (6)(a) of this section.

9 **SECTION 38. Statement of Denial.** A person named in a filed statement of authority
10 granting the person authority may deliver to the Secretary of State for filing a statement
11 of denial that:

12 (1) Identifies the limited liability company that delivered the statement of authority to
13 the Secretary of State for filing and the caption of the statement of authority to which the
14 denial pertains; and

15 (2) Denies the grant of authority.

16 **SECTION 39. Liability of Members and Managers.** (1) A debt, obligation or other liability
17 of a limited liability company is solely the debt, obligation or other liability of the company.
18 A person is not personally liable, directly or indirectly or by way of contribution or other-
19 wise, for the limited liability company's debt, obligation or other liability solely because the
20 person is, or acts as, a member or manager. This subsection applies even if a limited liability
21 company is dissolved.

22 (2) A limited liability company's failure to observe formalities relating to an exercise of
23 the company's powers or management of the company's activities or affairs is not a ground
24 for imposing liability on a member or manager for the company's debt, obligation or other
25 liability.

26 (3)(a) Notwithstanding any other law, a member, or a member-manager, who is a pro-
27 fessional, as defined in ORS 58.015, is personally liable as a member to the same extent and
28 in the same manner as a shareholder in a professional corporation is liable under ORS 58.185
29 and 58.187.

30 (b) Paragraph (a) of this subsection applies to a member who is a manager.

31 (c) In addition to the liability described in paragraph (a) of this subsection, a member is
32 liable to the extent otherwise provided in sections 1 to 125 of this 2025 Act.

33 **SECTION 40. Liability for Certain Actions in Connection with Operation of Shell Entity;**
34 **Actions as False Claim; Enforcement by Civil Action.** (1) A member, manager, employee or
35 agent of a shell entity is liable for damages to a person that suffers an ascertainable loss of
36 money or property as a result of the member, manager, employee or agent:

37 (a) Making, issuing, delivering or publishing, or participating in making, issuing, deliver-
38 ing or publishing, a prospectus, report, circular, certificate, financial statement, balance
39 sheet, public notice or document concerning the shell entity or the shell entity's shares, as-
40 sets, liabilities, capital, dividends, earnings, accounts or business operations that the mem-
41 ber, manager, employee or agent knows is false in any material respect;

42 (b) Making an entry or causing another person to make an entry in a shell entity's books,
43 records, minutes or accounts that the member, manager, employee or agent knows is false
44 in any material respect; or

45 (c) Removing, erasing, altering or canceling, or causing another person to remove, erase,

1 alter or cancel, an entry in a shell entity's books, records, minutes or accounts if by means
2 of the removal, erasure, alteration or cancellation the member, manager, employee or agent
3 intends to deceive another person.

4 (2) A member, manager, employee or agent of a shell entity that engages in any of the
5 actions described in subsection (1) of this section in a submission to, or an interaction with,
6 a public agency, as defined in ORS 180.750, makes a false claim and is subject to a civil action
7 as provided in ORS 180.750 to 180.785.

8
9 **RELATIONS OF MEMBERS TO EACH OTHER AND TO**
10 **THE LIMITED LIABILITY COMPANY**
11

12 **SECTION 41. Becoming a Member.** (1) If a limited liability company will have only one
13 member upon formation, a person becomes a member in accordance with an agreement with
14 the organizer of the limited liability company. The person and the organizer may be, but need
15 not be, different persons. If the person and the organizer are different persons, the organizer
16 acts on behalf of the initial member.

17 (2) If a limited liability company will have more than one member upon formation, per-
18 sons become members in accordance with an agreement among the persons before the for-
19 mation of the limited liability company. The organizer of the limited liability company acts
20 on behalf of the persons and may be, but need not be, one of the persons.

21 (3) After the formation of the limited liability company, a person becomes a member:

22 (a) As provided in the operating agreement;

23 (b) As the result of a transaction that is effective under sections 90 to 120 of this 2025
24 Act;

25 (c) With the affirmative vote or consent of all members; or

26 (d) As provided in section 58 (1)(c) of this 2025 Act.

27 (4) A person may become a member without acquiring a transferable interest or making,
28 or being obligated to make, a contribution to the limited liability company.

29 **SECTION 42. Form of Contribution.** A contribution may consist of property, services or
30 another benefit that a person transfers or provides to a limited liability company, or an
31 agreement to transfer property to or provide services or another benefit to the company.

32 **SECTION 43. Liability for Contributions.** (1) A person's death, disability, termination or
33 other inability to perform personally does not excuse the person's obligation to make a con-
34 tribution to a limited liability company.

35 (2) If a person does not fulfill an obligation to make a contribution other than money, the
36 person must, at the option of the limited liability company, contribute money equal to the
37 value of the part of the contribution the person did not make.

38 (3) Only the affirmative vote or consent of all members may compromise a person's ob-
39 ligation to make a contribution.

40 (4) If a creditor of a limited liability company extends credit or otherwise acts in reliance
41 on an obligation described in subsection (1) of this section, without knowledge or notice of
42 a compromise under subsection (3) of this section, the creditor may enforce the obligation.

43 **SECTION 44. Sharing of and Right to Distributions Before Dissolution.** (1) Any distrib-
44 ution a limited liability company makes before the company's dissolution and winding up
45 must be in equal shares among members and persons that are dissociated as members, ex-

1 cept to the extent necessary to comply with a transfer that is effective under section 52 of
2 this 2025 Act or a charging order that is in effect under section 53 of this 2025 Act.

3 (2) A person has a right to a distribution before a limited liability company dissolves and
4 winds up only if the company decides to make an interim distribution. A person's dissociation
5 as a member does not entitle the person to a distribution.

6 (3) A person may not demand or receive a distribution from a limited liability company
7 in any form other than money. Except as otherwise provided in section 65 (4) of this 2025
8 Act, a company may distribute an asset in kind only if each part of the asset is fungible with
9 each other part and each person receives a percentage of the asset that is equal in value to
10 the person's share of distributions.

11 (4) If a member or transferee becomes entitled to receive a distribution, the member or
12 transferee has the status of, and is entitled to all remedies available to, a creditor of the
13 limited liability company with respect to the distribution.

14 (5) A limited liability company's obligation to make a distribution to a member or a per-
15 son dissociated as a member is subject to offset for any amount owed to the limited liability
16 company by the member or the person that is dissociated as a member on account of which
17 the company made the distribution.

18 **SECTION 45. Limitations on Distributions.** (1) A limited liability company may not make
19 a distribution, including a distribution under section 65 of this 2025 Act, if after the distrib-
20 ution:

21 (a) The limited liability company could not pay the company's debts as the debts became
22 due in the ordinary course of the company's activities and affairs; or

23 (b) The limited liability company's total assets would be less than the sum of the
24 company's total liabilities, plus the amount necessary to satisfy the preferential rights that
25 belong, upon the limited liability company's dissolution and winding up, to members and
26 transferees with preferential rights that are superior to the rights of persons that receive
27 the distribution, if the limited liability company was dissolved and wound up at the time of
28 the distribution.

29 (2) A limited liability company may base a determination that a distribution is not pro-
30 hibited under subsection (1) of this section upon:

31 (a) Financial statements that are prepared on the basis of accounting practices and
32 principles that are reasonable under the circumstances; or

33 (b) A fair valuation or other method that is reasonable under the circumstances.

34 (3) Except as otherwise provided in subsection (5) of this section:

35 (a) The effect of a distribution under subsection (1) of this section is measured as of the
36 earlier of:

37 (A) The date on which the limited liability company transfers money or property or in-
38 curs debt; or

39 (B) The date on which the person entitled to the distribution ceases to own the interest
40 or right that the limited liability company acquires in return for the distribution;

41 (b) The effect of any other allocation of indebtedness is measured as of the date the
42 indebtedness is allocated; and

43 (c) In all other cases, the effect is measured as of the date the limited liability company:

44 (A) Authorizes the distribution, if the payment occurs not later than 120 days after the
45 date of the authorization; or

1 (B) Makes the payment, if the payment occurs more than 120 days after the date of the
2 authorization.

3 (4) Indebtedness to a member or transferee that a limited liability company incurs by
4 making a distribution in accordance with this section is at parity with the company's
5 indebtedness to the company's general, unsecured creditors, except to the extent subordi-
6 nated by agreement.

7 (5) A limited liability company's indebtedness, including indebtedness the company issues
8 as a distribution, is not a liability for the purposes of subsection (1) of this section if the
9 terms of the indebtedness provide that the company pays principal and interest only if, and
10 to the extent that, the company could then pay a distribution under this section. If the lim-
11 ited liability company issues indebtedness as a distribution, each payment of principal or in-
12 terest is a distribution, the effect of which is measured on the date of the payment.

13 (6) In measuring the effect of a distribution under section 65 of this 2025 Act, the liabil-
14 ities of a dissolved limited liability company do not include any claim that has been disposed
15 of under section 62 or 63 of this 2025 Act.

16 **SECTION 46. Liability for Improper Distributions.** (1) Except as otherwise provided in
17 subsection (2) of this section, if a member of a member-managed limited liability company
18 or a manager of a manager-managed limited liability company consents to a distribution that
19 violates section 45 of this 2025 Act and, in consenting to the distribution, fails to comply with
20 section 49 of this 2025 Act, the member or manager is personally liable to the limited liability
21 company for the amount of the distribution that exceeds the amount could have been dis-
22 tributed without violating section 45 of this 2025 Act.

23 (2) To the extent that the operating agreement of a member-managed limited liability
24 company expressly relieves a member of the authority and responsibility to consent to dis-
25 tributions and imposes the authority and responsibility on one or more other members, the
26 liability described in subsection (1) of this section applies to the other members and not the
27 member that the operating agreement relieves of the authority and responsibility.

28 (3) A person that receives a distribution knowing that the distribution violates section
29 45 of this 2025 Act is personally liable to the limited liability company, but only to the extent
30 that the distribution that the person received exceeded the amount that the company could
31 have properly paid under section 45 of this 2025 Act.

32 (4) A person defending in an action against a claim of liability under subsection (1) of this
33 section may:

34 (a) Implead any other person that is liable under subsection (1) of this section and seek
35 to enforce a right of contribution from the other person; and

36 (b) Implead any person that received a distribution that violated subsection (3) of this
37 section and seek to enforce a right of contribution from the person in the amount the person
38 received in violation of subsection (3) of this section.

39 (5) A person may not commence an action under this section later than two years after
40 the date of the distribution.

41 **SECTION 47. Management of Limited Liability Company.** (1) A limited liability company
42 is a member-managed limited liability company unless the operating agreement expressly
43 provides, or uses words of similar import to provide, that:

44 (a) The limited liability company is or will be "manager-managed";

45 (b) The limited liability company is or will be "managed by managers"; or

- 1 (c) Management of the limited liability company is or will be “vested in managers.”
- 2 (2) In a member-managed limited liability company:
- 3 (a) Members control the management and conduct of the limited liability company unless
- 4 sections 1 to 125 of this 2025 Act expressly provide otherwise.
- 5 (b) Each member has equal rights in managing and conducting the limited liability
- 6 company’s activities and affairs.
- 7 (c) A majority of the members of the limited liability company may decide a difference
- 8 that arises among members as to a matter in the ordinary course of the limited liability
- 9 company’s activities and affairs.
- 10 (d) All members must vote affirmatively or consent:
- 11 (A) To undertake an act outside the ordinary course of the limited liability company’s
- 12 activities and affairs;
- 13 (B) To amend the operating agreement; or
- 14 (C) As otherwise required under sections 1 to 125 of this 2025 Act.
- 15 (3) In a manager-managed limited liability company:
- 16 (a) A manager or, if there is more than one manager, a majority of managers exclusively
- 17 decides any matter that relates to the activities or affairs of the limited liability company,
- 18 unless sections 1 to 125 of this 2025 Act expressly provide otherwise.
- 19 (b) Each manager has equal rights in managing and conducting the limited liability
- 20 company’s activities and affairs.
- 21 (c) All members must vote affirmatively or consent:
- 22 (A) To undertake an act outside the ordinary course of the limited liability company’s
- 23 activities and affairs;
- 24 (B) To amend the operating agreement; or
- 25 (C) As otherwise required under sections 1 to 125 of this 2025 Act.
- 26 (d) A majority of the members by affirmative vote or consent may choose a manager at
- 27 any time. The manager remains a manager until the members choose a successor or until
- 28 the manager resigns, is removed, dies or, if the manager is not an individual, terminates. A
- 29 majority of the members by affirmative vote or consent may remove a manager at any time
- 30 without notice or cause.
- 31 (e) A person need not be a member to be a manager, but the dissociation of a member
- 32 that is also a manager removes the person as a manager. If a person that is both a member
- 33 and a manager ceases to be a manager, the cessation by itself does not dissociate the person
- 34 as a member.
- 35 (f) A person’s ceasing to be a manager does not discharge a debt, obligation or other li-
- 36 ability to a limited liability company, or to members, that the person incurred while a man-
- 37 ager.
- 38 (4) Members may vote or consent under sections 1 to 125 of this 2025 Act without a
- 39 meeting. A member may appoint a proxy or other agent to vote, consent or otherwise act
- 40 for the member by personally signing, or having an agent sign, an appointing record.
- 41 (5) The dissolution of a limited liability company does not affect the applicability of this
- 42 section, but a person that wrongfully causes a dissolution of the company loses the right to
- 43 participate as a member and manager in managing the company.
- 44 (6) A limited liability company shall reimburse a member for an advance the member
- 45 makes to the company in addition to the amount of capital the member agreed to contribute.

1 (7) A member's payment or advance that creates an obligation for a limited liability
 2 company under subsection (6) of this section or under section 48 (1) of this 2025 Act consti-
 3 tutes a loan to the limited liability company that accrues interest at the rate provided in
 4 ORS 82.010 (1)(a) from the date of the payment or advance.

5 (8) A member is not entitled to remuneration for performing services for a member-
 6 managed limited liability company, except for reasonable compensation for services the
 7 member renders in winding up the activities of the company.

8 **SECTION 48. Reimbursement; Indemnification; Advancement; and Insurance.** (1) A lim-
 9 ited liability company shall reimburse a member of a member-managed limited liability
 10 company or the manager of a manager-managed limited liability company for any payment
 11 the member or manager makes in the course of the member's or manager's activities on
 12 behalf of the limited liability company if the member or manager complies with this section
 13 and sections 45 and 47 of this 2025 Act in making the payment.

14 (2) A limited liability company shall indemnify and hold harmless a person with respect
 15 to any claim or demand against the person and any debt, obligation or other liability the
 16 person incurs in the person's capacity as a former or current member or manager if the
 17 claim, demand, debt, obligation or other liability does not arise from the person's violation
 18 of sections 45, 47 or 49 of this 2025 Act.

19 (3) A limited liability company in the ordinary course of the company's activities and af-
 20 fairs may advance funds for reasonable expenses, including attorney fees and costs, that a
 21 person incurs in connection with a claim or demand against the person in the person's ca-
 22 pacity as a former or present member provided that the person promises to repay the com-
 23 pany if the person is ultimately not indemnified under subsection (2) of this section.

24 (4) A limited liability company may purchase and maintain insurance on behalf of a
 25 member or manager against liability asserted against or incurred by the member or manager
 26 as, or in the capacity of, a member or manager even if, under section 6 of this 2025 Act, the
 27 operating agreement could not limit or eliminate the member's or manager's liability to the
 28 limited liability company for the conduct that gave rise to the liability.

29 **SECTION 49. Standards of Conduct for Members and Managers.** (1) A member of a
 30 member-managed limited liability company owes to the limited liability company and to other
 31 members the duties of loyalty and care described in subsections (2) and (3) of this section.

32 (2) A member's fiduciary duty of loyalty to a member-managed limited liability company
 33 includes the duty to:

34 (a) Account to the limited liability company, and hold as trustee for the company, any
 35 property, profit or benefit the member derives from:

36 (A) Conducting or winding up the limited liability company's activities and affairs;

37 (B) Using the limited liability company's property; or

38 (C) Appropriating an opportunity that belongs to the limited liability company;

39 (b) Refrain from dealing with the limited liability company, in conducting or winding up
 40 the company's activities and affairs, as or on behalf of a person with an interest that is ad-
 41 verse to the interests of the company; and

42 (c) Refrain from competing with the limited liability company in conducting the
 43 company's activities and affairs before the dissolution of the company.

44 (3) A member's duty of care with respect to conducting or winding up a member-managed
 45 limited liability company's activities and affairs is to refrain from engaging in grossly

1 negligent or reckless conduct, willful or intentional misconduct or a knowing violation of law.

2 (4) A member shall discharge the member's duties and obligations under sections 1 to 125
3 of this 2025 Act or under the operating agreement and exercise any rights consistently with
4 the contractual obligations of good faith and fair dealing.

5 (5) A member does not violate a duty or obligation under sections 1 to 125 of this 2025
6 Act or under the operating agreement solely because the member's conduct furthers the
7 member's own interest.

8 (6) All members of a member-managed limited liability company or a manager-managed
9 limited liability company, after full disclosure of all material facts, may together authorize
10 or ratify a specific act or transaction that otherwise would violate the duty of loyalty.

11 (7) A member may defend against a claim under subsection (2)(b) of this section and any
12 comparable claim in equity or at common law on the basis that the transaction was fair to
13 the limited liability company.

14 (8) If a member enters into a transaction with a limited liability company that is not
15 permitted under subsection (2)(b) of this section, but all of the other members of the com-
16 pany authorize or ratify the transaction under subsection (6) of this section or the member
17 does not have a duty to the company under subsection (9)(f) of this section, the member's
18 rights and obligations that arise from the transaction are the same as the rights of a person
19 that is not a member.

20 (9) In a manager-managed limited liability company:

21 (a) Subsections (1), (2), (3) and (7) of this section apply to a manager but not to a mem-
22 ber.

23 (b) The duty set forth in subsection (2)(c) of this section continues until winding up is
24 completed.

25 (c) Subsection (4) of this section applies to members and managers.

26 (d) Subsection (5) of this section applies only to members.

27 (e) Only members have the power to ratify under subsection (6) of this section.

28 (f) Subject to subsection (4) of this section, a member does not have a duty to the limited
29 liability company or to any other member solely by reason of being a member.

30 **SECTION 50. Rights to Information of Member, Manager and Person Dissociated as**
31 **Member.** (1)(a) A limited liability company shall keep at the company's principal office:

32 (A) A copy of the limited liability company's articles of organization and all amendments
33 to the articles of organization;

34 (B) A copy of any record of the limited liability company's operating agreement and a
35 copy of any amendments made in a record to the operating agreement;

36 (C) A statement in a record, unless the information appears in the limited liability
37 company's articles of organization, of:

38 (i) The amount of cash and a description and statement of the agreed value of the other
39 benefits a member contributed or agreed to contribute to the limited liability company;

40 (ii) When a member must make or agree to make additional contributions and any events
41 following which a member must make or agree to make additional contributions;

42 (iii) Any right a member has to receive distributions that include a return of all or any
43 part of the member's contribution; and

44 (iv) Any events following which the limited liability must be dissolved and the activities
45 and affairs of the company must be wound up;

1 (D) A copy of the limited liability company's federal, state and local tax returns and re-
2 ports, if any, for the three most recent years;

3 (E) A copy of any of the limited liability company's financial statements for the three
4 most recent years;

5 (F) A copy of any record the limited liability company made of any vote or consent a
6 member made or gave under the company's operating agreement or under sections 1 to 125
7 of this 2025 Act;

8 (G) Copies of the three most recent annual reports the limited liability company delivered
9 to the Secretary of State for filing;

10 (H) A copy of any articles of conversion or articles of merger the limited liability com-
11 pany delivered to the Secretary of State for filing;

12 (I) A copy of any statement or certificate of dissolution or statement or certificate that
13 revokes dissolution; and

14 (J) A current list of the full name and last-known business address, residence address
15 or mailing address of each current and former member. An address under this paragraph
16 must be a physical address that includes the number and street name.

17 (b) A member may inspect and copy any record a limited liability company must keep
18 under paragraph (a) of this subsection if the member delivers a demand for the inspection
19 in a record that the company receives at least 10 days before the inspection. The member
20 may make the inspection at the limited liability company's principal office during regular
21 business hours and need not have any particular purpose for the inspection.

22 (2)(a) A limited liability company shall provide to each member, without demand, any
23 information concerning the company's activities, affairs, financial condition and other cir-
24 cumstances that the company knows and that are material to a proper exercise of the
25 member's rights and duties under the operating agreement or sections 1 to 125 of this 2025
26 Act, unless the company can establish that the company reasonably believes the member
27 already knows the information.

28 (b) In a member-managed limited liability company, each member has the duty required
29 of the company in paragraph (a) of this subsection to the extent the member knows any of
30 the information described in paragraph (a) of this subsection.

31 (c) If the operating agreement for a limited liability company or sections 1 to 125 of this
32 2025 Act provide for a member to vote on or give or withhold consent to a matter, the
33 company without demand shall provide the member with all information the company knows
34 that is material to the member's decision.

35 (3) If a member meets the requirements set forth in subsection (4) of this section, a
36 member may inspect and copy during reasonable business hours, at a reasonable location the
37 limited liability company specifies, the following records:

38 (a) Excerpts from any record of a meeting of members or managers and any record of
39 a limited liability company's action that members or managers approved without a meeting.

40 (b) The limited liability company's accounting records.

41 (c) Any other records of the activities, affairs, financial condition and other circum-
42 stances of the limited liability company as is just and reasonable.

43 (4)(a) To inspect and copy the records described in subsection (3) of this section, a
44 member must:

45 (A) Seek the records for a purpose that is reasonably related to the member's interest

1 in the limited liability company; and

2 (B) Deliver to the limited liability company a record with a demand that describes with
3 reasonable particularity the records the member seeks and the member's purpose for seek-
4 ing the records.

5 (b) Records the member seeks to inspect and copy under paragraph (a) of this subsection
6 must be directly connected to the member's purpose.

7 (5) Within 10 days after receiving a demand from a member under subsection (4) of this
8 section, a limited liability company shall:

9 (a) Inform the member which records the limited liability company will provide in re-
10 sponse to the demand;

11 (b) State when and where the limited liability company will provide the records; and

12 (c) State reasons for declining to provide records the member demanded, if the limited
13 liability company declines all or part of the member's demand.

14 (6)(a) A person that is dissociated as a member may have access to any record or infor-
15 mation to which the person was entitled as a member if the person delivers a demand for
16 access in a record that the limited liability company receives at least 10 days before the ac-
17 cess and if:

18 (A) The records and information pertain to the period during which the person was a
19 member or transferee;

20 (B) The person seeks the records and information in good faith; and

21 (C) The person meets the requirements set forth for a member in subsection (4) of this
22 section.

23 (b) A limited liability company must respond to a demand under paragraph (a) of this
24 subsection in the manner described in subsection (5) of this section.

25 (7) A limited liability company may not fail to keep the records listed in subsection (1)
26 of this section, but the company may, in the operating agreement or otherwise, impose rea-
27 sonable restrictions on the availability or use of the records and other information a person
28 obtains under this section. The restrictions may include designating information as confi-
29 dential and imposing nondisclosure and safeguarding obligations on the recipient of the re-
30 cords and other information. In a dispute over the reasonableness of a restriction under this
31 subsection, the limited liability company has the burden of proving the restriction is rea-
32 sonable.

33 (8) A limited liability company may charge a person that makes a demand under this
34 section the reasonable costs of copying records, but only the costs of labor and materials and
35 not more than the estimated cost to produce or reproduce the records.

36 (9) A person may exercise the person's rights under this section through an agent, in-
37 cluding an attorney or, if the person is under a legal disability, through the person's legal
38 representative. A restriction that a limited liability company imposes under subsection (7)
39 of this section applies to the person and the person's agent or legal representative.

40 (10) Subject to section 54 of this 2025 Act, rights under this section do not extend to a
41 transferee.

42 (11)(a) Each manager, or each member of a manager if the manager is more than one
43 person, may inspect and copy during regular business hours:

44 (A) The records described in subsection (1) of this section, at the limited liability
45 company's principal office; and

1 (B) Any other records the limited liability company maintains concerning the company's
 2 activities and financial condition or that otherwise relate to managing the company, at a
 3 reasonable location the company specifies.

4 (b) A manager or a member of a manager need not have a particular purpose for seeking
 5 records or information under this subsection.

6 (12)(a) If a limited liability company does not allow a member to inspect and copy any
 7 records or information the member has a right to inspect and copy under subsection (2)(a)
 8 of this section, the member may seek an order to require the inspection and copying from
 9 the circuit court of the county in which the company's principal office is located or, if the
 10 principal office is not located in this state, the county in which the company's registered
 11 office is or was last located. The court may summarily order the inspection and copying at
 12 the limited liability company's expense.

13 (b) If a limited liability company does not within a reasonable time allow a member to
 14 inspect and copy any record or information other than records or information described in
 15 subsection (2)(a) of this section, the member may seek an order to permit the inspection and
 16 copying from the circuit court of the county in which the company's principal office is lo-
 17 cated or, if the principal office is not located in this state, the county in which the company's
 18 registered office is or was last located.

19 (c) If a court orders a limited liability company to permit a member to inspect and copy
 20 records and information under paragraph (a) or (b) of this subsection, the court:

21 (A) Shall also order the limited liability company to pay the costs, including reasonable
 22 attorney fees, that the member incurred to obtain the order, unless the company proves that
 23 the company refused the inspection and copying in good faith because a reasonable basis
 24 existed to doubt the member's right to inspect and copy the records and information; and

25 (B) May impose reasonable restrictions on the member's use or distribution of the re-
 26 cords or information.

27 (13) A court may not issue an order under subsection (12) of this section without notice
 28 to the limited liability company at least five days before the time specified for a hearing on
 29 the matter, unless the court specifies a different period for the notice. The court shall set
 30 the hearing at the earliest possible time, giving the matter precedence over all other matters
 31 except matters of the same character or applications for a preliminary injunction under
 32 ORCP 79B (3).

33
 34 **TRANSFERABLE INTERESTS AND THE RIGHTS OF**
 35 **TRANSFEREES AND CREDITORS**
 36

37 **SECTION 51. Nature of Transferable Interest.** A transferable interest is personal prop-
 38 erty.

39 **SECTION 52. Transfer of Transferable Interest.** (1) Subject to section 53 (6) of this 2025
 40 Act, a transfer, in whole or in part, of a transferable interest:

41 (a) Is permissible;

42 (b) Does not, alone, cause a person's dissociation as a member or a dissolution and
 43 winding up of a limited liability company's activities and affairs; and

44 (c) Does not entitle the transferee, subject to section 54 of this 2025 Act, to:

45 (A) Participate in managing or conducting the limited liability company's activities or

1 **affairs; or**

2 **(B) Have access to records or other information about the limited liability company's**
3 **activities and affairs, except as otherwise provided in subsection (3) of this section.**

4 **(2) A transferee has the right to receive, in accordance with the transfer, distributions**
5 **to which the transferor would otherwise be entitled.**

6 **(3) In a dissolution and winding up of a limited liability company, a transferee is entitled**
7 **to an account of the limited liability company's transactions only from the date of the dis-**
8 **solution.**

9 **(4) A limited liability company may issue a certificate in a record as evidence of a**
10 **transferable interest. Subject to this section, transferring the certificate may transfer the**
11 **interest that the certificate represents.**

12 **(5) A limited liability company need not give effect to a transferee's rights under this**
13 **section until the company knows or has notice of the transfer.**

14 **(6) A transfer of a transferable interest that violates a restriction on transfers in the**
15 **operating agreement is ineffective if the intended transferee knows or has notice of the re-**
16 **striction at the time of the transfer.**

17 **(7) Except as otherwise provided in section 56 (5)(b) of this 2025 Act, if a member trans-**
18 **fers a transferable interest, the member retains all of the rights, duties and obligations of**
19 **a member other than the interest the member transferred.**

20 **(8) If a member transfers a transferable interest to a person that becomes a member**
21 **with respect to the transferred interest, the person is liable for the member's obligations**
22 **under sections 43 and 46 of this 2025 Act that the person knows of at the time the person**
23 **becomes a member.**

24 **SECTION 53. Charging Order. (1) A judgment creditor of a member or transferee may**
25 **apply for and a court may enter a charging order against the member's or transferee's**
26 **transferable interest for the unsatisfied amount of the judgment. A charging order is a lien**
27 **on a judgment debtor's transferable interest and requires the limited liability company to pay**
28 **over to the person that obtained the order any distribution that the company otherwise**
29 **would pay to the judgment debtor.**

30 **(2) A court may include in a charging order the court enters under subsection (1) of this**
31 **section, or in a separate order, terms or requirements that are reasonably necessary to**
32 **collect distributions and give effect to the charging order including, but not limited to, ap-**
33 **pointing a receiver for distributions that are subject to the charging order. If the court ap-**
34 **points a receiver, the receiver may make any inquiries the judgment debtor may make.**

35 **(3) A court may foreclose a lien on and order a sale of a transferable interest if the**
36 **judgment creditor shows that the distributions that are subject to a charging order under**
37 **subsection (1) of this section will not pay the judgment debt within a reasonable time. Except**
38 **as otherwise provided in subsection (6) of this section, the purchaser at the foreclosure sale**
39 **obtains only the transferable interest and is subject to section 52 of this 2025 Act, but does**
40 **not become a member.**

41 **(4) At any time before a court forecloses a lien under subsection (3) of this section, a**
42 **member or transferee whose transferable interest is subject to a charging order under sub-**
43 **section (1) of this section may extinguish the charging order by:**

44 **(a) Satisfying the judgment;**

45 **(b) Obtaining a satisfaction document under ORS 18.225; and**

1 (c) Filing, and causing the judgment creditor to file, the satisfaction document with the
2 court that entered the charging order.

3 (5) At any time before a court forecloses a lien under subsection (3) of this section, the
4 limited liability company or a member whose transferable interest is not subject to the
5 charging order may pay to the judgment creditor the full amount due under the judgment
6 and obtain the rights of the judgment creditor against the judgment debtor, including rights
7 under the charging order.

8 (6) If a court forecloses a lien on the transferable interest of the sole member of a limited
9 liability company:

10 (a) The court shall order and confirm a sale of the interest;

11 (b) The purchaser at the foreclosure sale obtains the member's entire interest, not just
12 the transferable interest, and becomes a member; and

13 (c) The member whose interest the court foreclosed and ordered sold is dissociated as a
14 member.

15 (7) Sections 1 to 125 of this 2025 Act do not deprive a member or transferee of the benefit
16 of any exemption law that applies to the member's or transferee's transferable interest.

17 (8) This section sets forth a judgment creditor's exclusive remedy for enforcing a judg-
18 ment against a member's or transferee's transferable interest.

19 **SECTION 54. Power of Legal Representative of Deceased Member.** If a member dies, the
20 deceased member's legal representative may exercise the rights of a transferee under section
21 52 (3) of this 2025 Act and, for purposes of settling the member's estate, the rights the de-
22 ceased member had under section 50 of this 2025 Act.

23
24 **DISSOCIATION**

25
26 **SECTION 55. Power to Dissociate as Member; Wrongful Dissociation.** (1) A person may
27 dissociate as a member at any time, rightfully or wrongfully, by withdrawing by express will
28 under section 56 of this 2025 Act.

29 (2) A person's dissociation as a member is wrongful only if the dissociation:

30 (a) Breaches an express provision of the operating agreement; or

31 (b) Occurs before a winding up of the limited liability company is complete and the per-
32 son:

33 (A) Withdraws as a member by express will;

34 (B) Is expelled as a member by judicial order under section 56 (6) of this 2025 Act;

35 (C) Is dissociated under section 56 (8) of this 2025 Act; or

36 (D) Is dissociated as a member because the person willfully dissolved or terminated, if
37 the person is not a trust, other than a business trust, an estate or an individual.

38 (3) A person that wrongfully dissociates as a member is liable to the limited liability
39 company and to the other members for damages the dissociation causes. The liability is in
40 addition to any debt, obligation or liability the member has to the limited liability company
41 or to the other members.

42 **SECTION 56. Events Causing Dissociation.** A person is dissociated as a member when:

43 (1) The limited liability company knows or has notice of the person's express will to
44 withdraw as a member, except that if the person specifies a withdrawal date later than the
45 date on which the company knew or had notice of the person's express will, the withdrawal

- 1 occurs on the later date;
- 2 (2) An event occurs that, under the operating agreement, is cause for a dissociation;
- 3 (3) A foreclosure sale under section 53 (6) of this 2025 Act or a purchase under section
4 74 of this 2025 Act transfers the person's entire interest in the limited liability company;
- 5 (4) The person is expelled as a member in accordance with the operating agreement;
- 6 (5) All the other members vote affirmatively or consent to expel the person, which may
7 occur if:
- 8 (a) The limited liability company may not lawfully carry on the company's activities and
9 affairs with the person as a member;
- 10 (b) A transfer of all of the person's transferable interest in the limited liability company
11 occurs, other than a transfer:
- 12 (A) For security purposes; or
- 13 (B) In accordance with a charging order that is in effect and has not been foreclosed;
- 14 (c) The person is an entity and:
- 15 (A) The limited liability company notifies the person that the person will be expelled as
16 a member because:
- 17 (i) The person filed a statement of dissolution or the equivalent of a statement of dis-
18 solution;
- 19 (ii) The person was administratively dissolved;
- 20 (iii) The person's charter, or the equivalent of a charter, was revoked; or
- 21 (iv) The person's jurisdiction of formation suspended the person's right to conduct busi-
22 ness and, not later than 90 days after the date of the notification:
- 23 (I) The person has not withdrawn, rescinded or revoked the statement of dissolution or
24 the equivalent of the statement of dissolution; or
- 25 (II) The person has not been reinstated after the administrative dissolution, after the
26 charter was revoked or after the person's right to do business was suspended; or
- 27 (B) The person is an unincorporated entity that was dissolved and the affairs of which
28 are being wound up;
- 29 (6) The person is expelled as a member by judicial order that the limited liability company
30 sought because the person:
- 31 (a) Engaged or is engaging in wrongful conduct that has had or will have an adverse
32 material effect on the limited liability company's activities and affairs;
- 33 (b) Committed or is committing, willfully or persistently, a material breach of the oper-
34 ating agreement or a duty or obligation under section 49 of this 2025 Act; or
- 35 (c) Engaged or is engaging in conduct with respect to the limited liability company's ac-
36 tivities and affairs that makes carrying on the activities and affairs with the person as a
37 member not reasonably practicable;
- 38 (7) The person is an individual who:
- 39 (a) Dies; or
- 40 (b) In a member-managed limited liability company:
- 41 (A) Has had a guardian or general conservator appointed for the person; or
- 42 (B) Is the subject of a court order that determines that the individual has otherwise be-
43 come incapable of performing the individual's duties as a member under the operating
44 agreement or under sections 1 to 125 of this 2025 Act;
- 45 (8) The person is a member of a member-managed limited liability company and:

1 (a) Becomes a debtor in bankruptcy;

2 (b) Signs an assignment for the benefit of creditors; or

3 (c) Is subject to, or all or substantially all of the person's property is subject to, a
4 trustee's, receiver's or liquidator's administration or control;

5 (9) The person is a testamentary or inter vivos trust or is acting as a member by virtue
6 of being a trustee of a testamentary or inter vivos trust and the person's entire transferable
7 interest in the limited liability company is distributed;

8 (10) The person is an estate or is acting as a member by virtue of being a personal rep-
9 resentative of an estate and the estate's entire transferable interest in the limited liability
10 company is distributed;

11 (11) The person is not an individual and the existence of the person terminates;

12 (12) The limited liability company of which the person is a member participates in a
13 merger under sections 97 to 102 of this 2025 Act and the limited liability company is not the
14 surviving entity or the person otherwise ceases to be a member as a result of the merger;

15 (13) The limited liability company of which the person is a member participates in an
16 interest exchange under sections 103 to 108 of this 2025 Act and as a result of the interest
17 exchange the person ceases to be a member;

18 (14) The limited liability company of which the person is a member participates in a
19 conversion under sections 109 to 114 of this 2025 Act;

20 (15) The limited liability company of which the person is a member participates in a
21 domestication under section 115 to 120 of this 2025 Act and, as a result of the domestication,
22 the person ceases to be a member; or

23 (16) The limited liability company of which the person is a member dissolves and com-
24 pletes winding up.

25 **SECTION 57. Effect of Dissociation.** (1) If a person is dissociated as a member:

26 (a) The person's right to participate as a member in managing and conducting the limited
27 liability company's activities and affairs terminates;

28 (b) The duties and obligations under section 49 of this 2025 Act that apply to members
29 no longer apply to the person with respect to matters that arise and events that occur after
30 the person's dissociation; and

31 (c) Subject to sections 54 and 90 to 120 of this 2025 Act, the person owns solely as a
32 transferee any transferable interest that the person owned in the person's capacity as a
33 member before dissociation.

34 (2) A person's dissociation as a member does not of itself discharge the person from any
35 debt, obligation or other liability to the limited liability company or to the other members
36 that the person incurred while a member.

37
38 **DISSOLUTION AND WINDING UP**

39
40 **SECTION 58. Events Causing Dissolution.** (1) A limited liability company is dissolved and
41 the activities and affairs of the company must be wound up if any of the following conditions
42 occur:

43 (a) An event occurs that, under the operating agreement, is cause for a dissolution.

44 (b) All of the members vote for or consent to the dissolution.

45 (c) Ninety consecutive days pass during which the limited liability company does not have

1 any members, unless before the period ends:

2 (A) One or more transferees that own the rights to receive a majority of distributions
 3 as transferees consent to admit at least one specified person as a member if the transferees
 4 own the rights at the time the consent is effective; and

5 (B) At least one person becomes a member in accordance with the consent described in
 6 subparagraph (A) of this paragraph.

7 (d) On a member's application, a court enters an order dissolving the limited liability
 8 company on the grounds that:

9 (A) The conduct of all or substantially all of the limited liability company's activities and
 10 affairs is unlawful;

11 (B) Carrying on the limited liability company's activities and affairs in conformity with
 12 the company's articles of organization or operating agreement is not reasonably practicable;
 13 or

14 (C) The members or managers that control the limited liability company:

15 (i) Have acted, are acting or will act in a manner that is illegal or fraudulent; or

16 (ii) Have acted or are acting in a manner that is oppressive and was, is or will be directly
 17 harmful to the applicant.

18 (e) The Secretary of State administratively dissolves the limited liability company under
 19 section 66 of this 2025 Act.

20 (f) The Attorney General brings an action that results in a court finding that:

21 (A) The limited liability company filed articles of organization with fraudulent intent,
 22 with fraudulent information or in a manner that otherwise indicates fraud;

23 (B) The limited liability company has continued to exceed or abuse the authority the law
 24 confers upon the company; or

25 (C) The limited liability company is a shell entity. For purposes of this subparagraph:

26 (i) A court may find that a limited liability company is a shell entity if the court deter-
 27 mines that the limited liability company was used or organized for an illegal purpose, was
 28 used or organized to defraud or deceive a person or a governmental agency or was used or
 29 organized to fraudulently conceal any business activity from another person or a govern-
 30 mental agency; and

31 (ii) The Attorney General may make a prima facie showing that a limited liability com-
 32 pany is a shell entity by stating in an affidavit that:

33 (I) The limited liability company did not provide a name or address the Secretary of State
 34 required, or the name or address the company provided was false, fraudulent or inadequate;

35 (II) The limited liability company's articles of organization, a record the company must
 36 keep under section 50 of this 2025 Act or the limited liability company's annual report is
 37 false, fraudulent or inadequate;

38 (III) A public body, as defined in ORS 174.109, attempted to communicate with, or serve
 39 legal process upon, the limited liability company at the address or by means of other contact
 40 information the company provided to the Secretary of State, but the company failed to re-
 41 spond; or

42 (IV) The Attorney General has other evidence that shows that the limited liability com-
 43 pany was used or organized for an illegal purpose, was used or organized to defraud or de-
 44 ceive a person or a governmental agency or was used or organized to fraudulently conceal
 45 any business activity from another person or a governmental agency.

1 (2) If the basis of a member's application for an order under subsection (1)(d) of this
2 section is the grounds described in subsection (1)(d)(C) of this section, a court may order a
3 remedy other than dissolution.

4 (3) In addition to subjecting a limited liability company to dissolution under subsection
5 (1)(f)(C) of this section, a finding that the company is a shell entity has the following effects:

6 (a) A court may rebuttably presume that the limited liability company's filings with the
7 Secretary of State constitute a false claim, as defined in ORS 180.750, in any action the At-
8 torney General brings against the company under ORS 180.760 and may award to the Attor-
9 ney General reasonable attorney fees and the costs of investigation, preparation and
10 litigation if the Attorney General prevails in the action; and

11 (b) A public body, as defined in ORS 174.109, in any proceeding against the limited liability
12 company, may move to enjoin a member, manager or other person that exercises significant
13 direction or control over the company from engaging in commercial activity in this state,
14 including but not limited to incorporating or organizing another entity in this state.

15 (4) A limited liability company may affirmatively defend against an allegation that the
16 company is a shell entity by showing that the company, within 60 days after receiving a re-
17 quest to provide or correct a name, address or other information required for a filing or in
18 articles of organization, a record the company must keep or an annual report, or within 60
19 days after the date of a request to respond to a communication or service of process, pro-
20 vided or corrected the name, address or other information or responded to the communi-
21 cation or service of process.

22 **SECTION 59. Procedure for Judicial Dissolution.** (1) The Attorney General shall bring an
23 action to dissolve a limited liability company under section 58 of this 2025 Act in Marion
24 County. Any other person that brings an action under section 58 of this 2025 Act must bring
25 the action in the county in which a limited liability company's principal office is located or,
26 if the principal office is not located in this state, the county in which the registered office
27 of the company is or was last located.

28 (2) A member is not a necessary party to an action to dissolve a limited liability company
29 unless the person bringing the action seeks relief against the individual member.

30 (3) A court in an action to judicially dissolve a limited liability company may issue in-
31 junctions, appoint a receiver or a custodian with all powers and duties the court directs, and
32 take other action necessary to carry on the business of the company or to preserve or liq-
33 uidate the company's assets wherever the assets are located.

34 **SECTION 60. Judgment of Dissolution.** (1) If after a hearing a court determines that one
35 or more grounds for judicial dissolution described in section 58 of this 2025 Act exist, the
36 court may enter a judgment to dissolve the limited liability company and specify the effective
37 date of the dissolution. The clerk of the court shall deliver a certified copy of the judgment
38 to the Secretary of State for filing. The Secretary of State shall file the certified copy of the
39 judgment.

40 (2) After entering the judgment of dissolution, the court shall direct the winding up and
41 liquidation of the limited liability company's activities and affairs in accordance with section
42 61 of this 2025 Act, the notification of claimants and enforcement of claims in accordance
43 with sections 63 and 64 of this 2025 Act and the distribution of limited liability company as-
44 sets in accordance with section 65 of this 2025 Act.

45 **SECTION 61. Winding Up.** (1) A dissolved limited liability company shall wind up the

1 company's activities and affairs and, except as otherwise provided in section 62 of this 2025
2 Act, continues after dissolution only for the purpose of winding up.

3 (2) A limited liability company, in winding up the company's activities and affairs:

4 (a) Shall discharge the limited liability company's debts, obligations and other liabilities,
5 settle and close the company's activities and affairs and collect and distribute the company's
6 assets.

7 (b) May:

8 (A) Deliver to the Secretary of State for filing a statement of dissolution that includes
9 the name of the limited liability company and a declaration that the company is dissolved;

10 (B) Preserve the limited liability company's activities, affairs and property as a going
11 concern for a reasonable time;

12 (C) Bring and defend actions and proceedings, whether civil, criminal or administrative;

13 (D) Transfer the limited liability company's property;

14 (E) Settle disputes by mediation or arbitration;

15 (F) Deliver to the Secretary of State for filing a statement of termination that includes
16 the name of the limited liability company and a declaration that the company is terminated;
17 and

18 (G) Perform other acts that are necessary or appropriate for the winding up.

19 (3) If a dissolved limited liability company does not have members, the legal represen-
20 tative of the person that was the last member may wind up the limited liability company's
21 activities and affairs. If the legal representative winds up the limited liability company's ac-
22 tivities and affairs, the legal representative has the powers of a sole manager under section
23 47 (3) of this 2025 Act and is a manager for the purposes of section 39 (1) of this 2025 Act.

24 (4) If a legal representative declines to or fails to wind up a limited liability company's
25 activities and affairs under subsection (3) of this section, one or more transferees that own
26 the rights to receive a majority of distributions as transferees may consent to appoint a
27 person to wind up the limited liability company's activities and affairs if the transferees own
28 the rights at the time the consent is effective. A person appointed under this subsection:

29 (a) Has the powers of a sole manager under section 47 (3) of this 2025 Act and is a man-
30 ager for the purposes of section 39 (1) of this 2025 Act; and

31 (b) Shall deliver promptly to the Secretary of State for filing an amendment to the lim-
32 ited liability company's articles of organization that states:

33 (A) That the limited liability company does not have any members;

34 (B) The person's name, address and mailing address, which must be physical addresses
35 that include the number and name of the street; and

36 (C) That the person was appointed under this subsection to wind up the limited liability
37 company's activities and affairs.

38 (5) A court may order a judicial supervision of, and appointment of a receiver to manage,
39 a limited liability company's winding up if:

40 (a) A member applies for the order and establishes good cause;

41 (b) A transferee petitions for the order and:

42 (A) The limited liability company does not have any members;

43 (B) The legal representative of the person that was the last member declines or fails to
44 wind up the limited liability company's activities and affairs; and

45 (C) A person was not appointed under subsection (4) of this section within a reasonable

1 time after the dissolution; or

2 (c) A court enters an order in connection with a proceeding under section 60 of this 2025
3 Act.

4 **SECTION 62. Rescinding Dissolution.** (1) A limited liability company may rescind a dis-
5 solution unless a statement of termination for the limited liability company is effective, a
6 court has entered an order to dissolve the limited liability company under section 60 of this
7 2025 Act or the Secretary of State has dissolved the limited liability company under section
8 66 of this 2025 Act.

9 (2) Rescinding a dissolution under this section requires:

10 (a) The affirmative vote or consent of each member; and

11 (b) Delivering to the Secretary of State for filing:

12 (A) A statement of withdrawal under section 31 of this 2025 Act that applies to the dis-
13 solution, if the statement of dissolution is not effective; or

14 (B) A statement of rescission that states the name of the limited liability company and
15 declares a rescission of the dissolution, if the statement of dissolution is effective.

16 (3) If a limited liability company rescinds a dissolution:

17 (a) The limited liability company resumes carrying on the company's activities and affairs
18 as if the dissolution never occurred;

19 (b) Subject to paragraph (c) of this subsection, any liability the limited liability company
20 incurred after the dissolution and before the rescission became effective must be determined
21 as if the dissolution never occurred; and

22 (c) The rights of a third party arising out of the third party's conduct in reliance on the
23 dissolution before the third party knew or had notice of the rescission may not be adversely
24 affected.

25 **SECTION 63. Known Claims Against Dissolved Limited Liability Company.** (1) Except as
26 otherwise provided in subsection (4) of this section, a dissolved limited liability company may
27 give notice of a known claim under subsection (2) of this section that has the effect described
28 in subsection (3) of this section.

29 (2) A dissolved limited liability company in a record may notify known claimants of the
30 dissolution. The notice must:

31 (a) Specify the information that must be included in a claim;

32 (b) State that a claim must be in writing and provide a mailing address to which the
33 claim may be sent;

34 (c) State the deadline for receiving a claim, which may not be less than 120 days after
35 the date on which the claimant receives the notice; and

36 (d) State that a claim will be barred if the dissolved limited liability company does not
37 receive the claim by the deadline.

38 (3) A claim against a dissolved limited liability company is barred if the requirements in
39 subsection (2) of this section are met and the company:

40 (a) Does not receive the claim by the specified deadline; or

41 (b) Receives the claim timely but rejects the claim and:

42 (A) Causes the claimant to receive a notice in a record stating that the claim is rejected
43 and will be barred unless the claimant brings an action against the dissolved limited liability
44 company to enforce the claim not later than 90 days after the claimant receives the notice;
45 and

1 (B) The claimant does not bring an action to enforce the claim within 90 days after re-
2 ceiving the notice.

3 (4) This section does not apply to a claim that is based on an event that occurs after the
4 date of dissolution or to a liability that, on the date of dissolution, is contingent.

5 **SECTION 64. Other Claims Against Dissolved Limited Liability Company.** (1) A dissolved
6 limited liability company may publish a notice of the dissolution and in the notice request
7 persons that have claims against the company to present the claims in accordance with the
8 notice.

9 (2) A notice under subsection (1) of this section must:

10 (a) Appear at least once in a newspaper of general circulation in the county of this state
11 in which the dissolved limited liability company's principal office is located or, if the principal
12 office is not located in this state, in the county in which the company's registered agent is
13 or was last located;

14 (b) Describe the information that a claim must include, state that the claim must be in
15 writing and provide a mailing address to which a claimant may send a claim; and

16 (c) State that a claim against the dissolved limited liability company is barred if a
17 claimant does not bring an action to enforce the claim within five years after the date of the
18 notice.

19 (3) If a dissolved limited liability company publishes a notice that complies with the re-
20 quirements of subsection (2) of this section, a claim from each of the following claimants is
21 barred unless within five years after the date of the notice the claimant brings an action
22 against the dissolved limited liability company to enforce the claim:

23 (a) A claimant that did not receive a notice in a record under section 63 of this 2025 Act.

24 (b) A claimant that sent a timely claim to the dissolved limited liability company, but the
25 company did not act on the claim.

26 (c) A claimant with a claim that on the date of the dissolution was contingent or a claim
27 that is based on an event that occurred after the date of dissolution.

28 (4) A claimant may enforce a claim that is not barred under this section or under section
29 63 of this 2025 Act against:

30 (a) A dissolved limited liability company to the extent of the company's undistributed
31 assets; and

32 (b) A member or transferee, if the dissolved limited liability company's assets were dis-
33 tributed after dissolution, but only to the extent of the member's or transferee's propor-
34 tionate share of the claim or of the assets that were distributed to the member or transferee
35 after the dissolution, whichever is less, but a member's or transferee's total liability for all
36 claims under this paragraph may not exceed the total amount of assets that were distributed
37 to the member or transferee after the dissolution.

38 **SECTION 65. Disposition of Assets in Winding Up.** (1) In winding up a limited liability
39 company's activities and affairs, the person that conducts the winding up shall apply the
40 company's assets to discharge obligations to creditors, including to members that are credi-
41 tors.

42 (2) After complying with subsection (1) of this section, a person that winds up the ac-
43 tivities and affairs of a dissolved limited liability company must distribute any surplus in the
44 following order, subject to any charging order that is in effect under section 53 of this 2025
45 Act:

1 (a) To each person that owns a transferable interest that reflects contributions the per-
2 son made that the dissolved limited liability company did not previously return, an amount
3 that is equal to the value of the unreturned contributions; and

4 (b) Among persons that own transferable interests in proportion to the persons' respec-
5 tive rights to share in distributions immediately before the dissolution of the limited liability
6 company.

7 (3) If a dissolved limited liability company does not have a surplus that is sufficient to
8 comply with subsection (2)(b) of this section, any surplus must be distributed among the
9 owners of transferable interests in proportion to the value of the respective unreturned
10 contributions.

11 (4) All distributions under subsections (2) and (3) of this section must be paid in money.

12 (5) If a creditor, claimant or member to which a dissolved limited liability company must
13 distribute assets is not competent to receive the assets or cannot be found, the person that
14 is responsible for liquidating or winding up the dissolved limited liability company shall re-
15 duce the assets to cash and, within six months after the final distribution from the liqui-
16 dation or winding up is payable, shall pay or deliver the cash to the State Treasurer for
17 deposit in the Unclaimed Property and Estates Fund under ORS 98.352. The person shall
18 prepare a statement under oath and in duplicate that includes the names and last known
19 addresses of the persons that are entitled to the deposited amounts. The person shall file one
20 statement with the State Treasurer and shall deliver the other statement to the Secretary
21 of State for filing.

22 **SECTION 66. Administrative Dissolution.** (1)(a) The Secretary of State may dissolve a
23 limited liability company administratively if the limited liability company does not:

24 (A) Pay when due any fee, tax, interest or penalty the limited liability company must pay
25 to the Secretary of State or to another agency of the state;

26 (B) Deliver to the Secretary of State for filing an annual report when the annual report
27 is due;

28 (C) Comply with an order of the Secretary of State under section 23 of this 2025 Act;

29 (D) Maintain a registered agent in this state; or

30 (E) Notify the Secretary of State that the limited liability company's registered agent or
31 registered office has changed, that the registered agent has resigned or that the registered
32 office was discontinued.

33 (b) The Secretary of State may also dissolve a limited liability company administratively
34 if the company becomes the subject of a recommendation for dissolution from the Director
35 of the Department of Revenue under section 23 of this 2025 Act.

36 (2) Before taking action to dissolve a limited liability company administratively under
37 subsection (3) of this section, the Secretary of State shall serve the company with a notice
38 in a record that states that the Secretary of State has found grounds for the administrative
39 dissolution under subsection (1) of this section.

40 (3) If within 45 days after service of a notice under subsection (2) of this section the
41 limited liability company does not cure the failure the Secretary of State identified or does
42 not demonstrate to the satisfaction of the Secretary of State that grounds for dissolution
43 no longer exist, the Secretary of State may administratively dissolve the company by signing
44 a statement of administrative dissolution that recites the grounds for the dissolution and the
45 effective date of the dissolution. The Secretary of State shall file the statement as provided

1 in section 33 of this 2025 Act and serve the limited liability company with a copy of the
2 statement.

3 (4) A limited liability company that is administratively dissolved continues in existence
4 as an entity but may not carry on any activities other than winding up the company's ac-
5 tivities and affairs and liquidating the company's assets under sections 61, 63, 64 and 65 of
6 this 2025 Act, or applying for reinstatement under section 67 of this 2025 Act.

7 (5) An administrative dissolution of a limited liability company does not terminate the
8 authority of the company's registered agent.

9 **SECTION 67. Reinstatement.** (1) A limited liability company that is administratively dis-
10 solved under section 66 of this 2025 Act may apply to the Secretary of State for rein-
11 statement not later than five years after the effective date of the dissolution. An application
12 under this section must state:

13 (a) The name of the limited liability company at the time of the administrative dissol-
14 ution and, if needed, a different name that complies with section 13 of this 2025 Act.

15 (b) The address of the limited liability company's principal office and the name, address
16 and mailing address of the company's registered agent in this state. All addresses must be
17 physical addresses that include the number and street name.

18 (c) The effective date of the limited liability company's administrative dissolution.

19 (d) That the limited liability company has cured all conditions that provided grounds for
20 the Secretary of State to administratively dissolve the company under section 66 of this 2025
21 Act, or that the conditions no longer exist.

22 (2) To become reinstated, a limited liability company shall pay all fees, taxes, interest and
23 penalties the company:

24 (a) Owed to the Secretary of State or to another agency of this state at the time of dis-
25 solution; and

26 (b) Would have owed to the Secretary of State or to another agency of the state during
27 the period in which the limited liability company was dissolved.

28 (3) If the Secretary of State determines that an application under subsection (1) of this
29 section is complete and correct and that the limited liability company has made all payments
30 described in subsection (2) of this section, the Secretary of State shall prepare and file a
31 statement of reinstatement that:

32 (a) Identifies the name of the reinstated limited liability company; and

33 (b) States the Secretary of State's determination and the effective date of the rein-
34 statement.

35 (4) The Secretary of State may waive the requirement under subsection (1) of this section
36 that the limited liability company apply for reinstatement within five years after the date
37 of administrative dissolution if the company requests the waiver and provides evidence of the
38 company's continued existence as an active concern during the period of administrative dis-
39 solution.

40 (5) When a reinstatement under this section becomes effective:

41 (a) The reinstatement relates back to and takes effect as of the effective date of the ad-
42 ministrative dissolution; and

43 (b) The limited liability company resumes carrying on the company's activities and affairs
44 as if the administrative dissolution had not occurred.

45 (6) A person's rights that arise out of an act or omission in reliance on the dissolution

1 before the person knew or had notice of the reinstatement are not affected.

2 **SECTION 68. Judicial Review of Denial of Reinstatement.** (1) If the Secretary of State
3 denies a limited liability company's application for reinstatement following administrative
4 dissolution, the Secretary of State shall serve the company with a notice in a record that
5 explains the reasons for the denial.

6 (2) The limited liability company may appeal the denial of the reinstatement under ORS
7 chapter 183.

8
9 **ACTIONS BY MEMBERS**

10
11 **SECTION 69. Derivative Action.** A member may bring a derivative action to enforce a
12 right of a limited liability company if:

13 (1) The member first demands of other members of a member-managed limited liability
14 company or of the managers of a manager-managed limited liability company that the other
15 members or the managers cause the company to bring an action to enforce the right, but
16 the other members or managers do not bring the action within a reasonable time; or

17 (2) A demand under subsection (1) of this section would be futile.

18 **SECTION 70. Proper Plaintiff.** A person that brings a derivative action to enforce a right
19 of a limited liability company must be a member at the time the action commences and:

20 (1) Must have been a member when the conduct that gave rise to the action occurred;
21 or

22 (2) Must have become a member, by operation of law or under the terms of the limited
23 liability company's operating agreement, as a successor of another person that was a mem-
24 ber when the conduct that gave rise to the action occurred.

25 **SECTION 71. Pleading.** In a derivative action, a complaint must state with particularity:

26 (1) The date and content of the plaintiff's demand under section 69 of this 2025 Act, and
27 the responses of the members or managers to the plaintiff's demand; or

28 (2) Why a demand should be excused as futile.

29 **SECTION 72. Stay Pending Investigation.** A court may stay any proceeding in a derivative
30 action until a limited liability company completes an investigation of the charges in the
31 complaint, even if the plaintiff did not make a demand under section 69 of this 2025 Act.

32 **SECTION 73. Proceeds and Expenses.** (1) Except as otherwise provided in subsection (2)
33 of this section, any proceeds or other benefits of a derivative action, whether obtained by
34 judgment, compromise or settlement, belong to the limited liability company and not to the
35 plaintiff. If the plaintiff receives any proceeds, the plaintiff shall remit the proceeds imme-
36 diately to the limited liability company.

37 (2) If a derivative action is successful in whole or in part, a court may award the plaintiff
38 reasonable expenses, including reasonable attorney fees and costs, from the limited liability
39 company's recovery.

40 (3) A person may not voluntarily dismiss or settle a derivative action on behalf of a lim-
41 ited liability company without the court's approval. If the court determines that a proposed
42 dismissal or settlement will substantially affect the interest of a member or a class of
43 members, the court shall require notice to be given to the affected members.

44 **SECTION 74. Purchase of Interest During Court Proceeding.** (1)(a) At any time within
45 90 days after a member brings an action under section 58 (1)(d) of this 2025 Act to dissolve

1 a limited liability company, or at a time the court determines is equitable, the company or
2 one or more members may elect to purchase at fair value the entire interest of the member
3 that brought the action, not just the member's transferable interest, if the company does
4 not have interests that are listed on a national securities exchange or are regularly traded
5 in a market that one or more members of a national or affiliated securities association
6 maintain.

7 (b) If an election to purchase occurs:

8 (A) The election is irrevocable unless the court determines that setting aside or modify-
9 ing the election is equitable; and

10 (B) The limited liability company shall notify all members within 10 days after the date
11 of the election.

12 (c) A notice that a limited liability company gives under paragraph (b) of this subsection
13 must state:

14 (A) The name of the member that brought the action and the entire interest, including
15 the transferable interest, that the member owns;

16 (B) The name of each member that elects to purchase the interest and the whole
17 transferable interest the electing member owns;

18 (C) The amount that each electing member will pay for the entire interest of the member
19 that brought the action; and

20 (D) That recipients may join in the election to purchase the entire interest.

21 (d) A member that intends to participate under paragraph (c)(D) of this subsection shall
22 notify the court of an intention to join in the election to purchase not later than 30 days
23 after the date of the notice or at a time the court in the court's discretion allows. Each
24 member that elects to purchase the interest or that notifies the court of an intention to
25 participate in the election to purchase becomes a party to the action and participates in the
26 purchase in proportion to the member's right to share in distributions as of the date on
27 which the action commenced, unless the members agree otherwise or the court directs oth-
28 erwise.

29 (2) The court, at the court's discretion, may allow the limited liability company and
30 members to elect to purchase the entire interest of the member that brought the action at
31 a price higher than the amount previously offered. If the court allows the purchase at the
32 higher price, the court shall allow other members an opportunity to join in the election to
33 purchase at the higher price in proportion to each member's right to share in distributions
34 as of the date on which the action commences.

35 (3)(a) After the limited liability company or a member elects to purchase the entire in-
36 terest of the member that brought the action, the member that brought the action may not
37 discontinue or settle the action or sell or otherwise dispose of any part of the member's
38 entire interest, unless the court determines that permitting the member to discontinue or
39 settle the action or sell or otherwise dispose of the interest is equitable for the limited li-
40 ability company or the other members.

41 (b) In considering whether equity exists to approve any settlement under paragraph (a)
42 of this subsection, the court may consider the reasonable expectations the members had at
43 the time the limited liability company was organized, the reasonable expectations that the
44 members developed over the course of the members' relationship with each other and with
45 the limited liability company and any existing agreement among the members. In making a

1 determination under paragraph (a) of this subsection, the court shall endeavor to minimize
2 harm to the limited liability company's business.

3 (4)(a) If, within 30 days after the court allows the most recent election to purchase, the
4 parties agree as to the fair value and terms of purchase of the entire interest of the member
5 that brought the action, the court shall enter an order directing the purchase of the entire
6 interest upon the terms and conditions to which the parties agreed.

7 (b) If the parties do not within a reasonable time agree as provided in paragraph (a) of
8 this subsection, a member may request and the court shall grant a stay of the action and
9 shall, under subsection (5) of this section, determine the fair value and terms of purchase
10 of the entire interest of the member that brought the action as of the day before the date
11 on which the member brought the action or as of another date as the court deems appro-
12 priate under the circumstances.

13 (5)(a) If the court orders a purchase under subsection (4)(b) of this section, the court
14 shall:

15 (A) Determine the fair value of the entire interest, with or without the assistance of
16 appraisers, taking into account any impact on the value of the entire interest that resulted
17 from the actions that gave rise to the action;

18 (B) Consider any financial or legal constraints on the ability of the limited liability com-
19 pany or the purchasing member to purchase the entire interest;

20 (C) Specify the terms of the purchase, including, if appropriate, terms for installment
21 payments, interest at the rate and from the date the court determines is equitable, a sub-
22 ordination of the purchase obligation to the rights of the limited liability company's other
23 creditors, security for a deferred purchase price and a covenant not to compete or other
24 restriction on the seller;

25 (D) Require the seller to deliver the seller's entire interest to the purchaser upon re-
26 ceiving the purchase price or the first installment of the purchase price;

27 (E) Retain jurisdiction to enforce the purchase order by, among other remedies, ordering
28 the dissolution of the limited liability company if the purchase is not completed in accordance
29 with the terms of the purchase order; and

30 (F) Require the limited liability company to:

31 (i) Pay reasonable compensation to the appraiser for the appraiser's services; and

32 (ii) Pay the appraiser's reasonable costs and expenses directly or reimburse the appraiser
33 for the costs and expenses.

34 (b) The parties must consummate a purchase the court orders under subsection (4)(b)
35 of this section within 20 days after the date the order becomes final unless before the 20-day
36 period expires the limited liability company files with the court a notice of the company's
37 intention to dissolve and, within 50 days after filing the notice with the court, delivers arti-
38 cles of dissolution to the Secretary of State for filing.

39 (c) After the court enters the order to purchase and before the purchase price is fully
40 paid, any party may petition the court to modify the terms of the purchase. The court may
41 modify the terms of purchase if the court finds that the modifications are equitable.

42 (d) Unless the court modifies the order to purchase, the selling member is dissociated
43 as a member from the date the selling member delivers the selling member's entire interest
44 to the purchaser or as of another date the court specifies.

45 (e) If the court orders one or more members to purchase the entire interest of the

1 member that brought the action, unless equity requires otherwise the court in allocating the
 2 shares that the other members must purchase shall attempt to preserve the existing dis-
 3 tribution of voting rights and other designations, preferences, qualifications, limitations, re-
 4 strictions and special or relative rights among the holders of a class or classes of interests
 5 and may direct that holders of a specific class or classes not participate in the purchase.

6
 7 **FOREIGN LIMITED LIABILITY COMPANIES**

8
 9 **SECTION 75. Governing Law.** (1) The law of a foreign limited liability company's juris-
 10 diction of formation governs:

11 (a) The internal affairs of the foreign limited liability company;

12 (b) The liability of a member as a member and of a manager as a manager for a debt,
 13 obligation or other liability of the foreign limited liability company; and

14 (c) The liability of a series of the foreign limited liability company.

15 (2) A difference between the laws of this state and the laws of a foreign limited liability
 16 company's jurisdiction of formation does not preclude the foreign limited liability company
 17 from registering to do business in this state.

18 (3) Registration of a foreign limited liability company to do business in this state does
 19 not authorize the foreign limited liability company to engage in any activities and affairs or
 20 exercise any power that a limited liability company may not engage in or exercise in this
 21 state.

22 **SECTION 76. Registration to do Business in this State.** (1) A foreign limited liability
 23 company may not do business in this state and may not maintain an action or proceeding in
 24 the courts of this state until the company registers with the Secretary of State under section
 25 77 of this 2025 Act.

26 (2) If a foreign limited liability company did not register with the Secretary of State be-
 27 fore doing business in this state, a successor of the company or an assignee of a cause of
 28 action that arises from the business may not maintain an action or proceeding based on the
 29 cause of action in a court of this state until the company or the successor registers with the
 30 Secretary of State to do business in this state.

31 (3) A court may stay an action or proceeding that a foreign limited liability company or
 32 a successor or assignee of the company commences until the court determines whether the
 33 company, the successor or the assignee must register with the Secretary of State to do
 34 business in this state. If the court determines that registration is required, the court may
 35 further stay the action or proceeding until the company, the successor or the assignee reg-
 36 isters with the Secretary of State.

37 (4) A foreign limited liability company that does business in this state without registering
 38 with the Secretary of State is liable to the state in an amount that is equivalent to all of the
 39 fees the company would have paid to the Secretary of State if the company had registered
 40 and had delivered for filing all required annual reports during each of the years or parts of
 41 years in which the company transacted business in this state without registering.

42 (5) A foreign limited liability company's failure to register to do business in this state
 43 does not impair the validity of a contract or act of the company or preclude the company
 44 from defending an action or proceeding in this state.

45 (6) A limitation on the liability of a member or manager of a foreign limited liability

1 company is not waived solely because the company does business in this state without reg-
2 istering with the Secretary of State.

3 (7) Section 75 (1) and (2) of this 2025 Act applies even if a foreign limited liability company
4 fails to register with the Secretary of State to do business in this state.

5 **SECTION 77. Foreign Registration Statement.** To register to do business in this state, a
6 foreign limited liability company shall deliver to the Secretary of State for filing a registra-
7 tion statement that includes all of the following elements:

8 (1) The name of the foreign limited liability company or, if the name the company uses
9 is not available in this state, a name that complies with section 13 of this 2025 Act.

10 (2) A declaration that the foreign limited liability company is a foreign limited liability
11 company.

12 (3) The name of the foreign limited liability company's jurisdiction of formation and the
13 company's registry number in the jurisdiction of formation.

14 (4) The address and mailing address of the foreign limited liability company's principal
15 office and of any other office the company must maintain under the laws of the company's
16 jurisdiction of formation. Each address must be a physical address that includes the number
17 and street name.

18 (5) The name, address and mailing address of the foreign limited liability company's reg-
19 istered agent in this state. Each address must be a physical address that includes the num-
20 ber and street name.

21 (6) An identification of the foreign limited liability company as member-managed or
22 manager-managed.

23 (7) A certificate of existence or a document of similar legal effect that was valid within
24 the 60 days before the date the foreign limited liability company delivered the statement of
25 registration and that is duly authenticated by the official that has custody of the records of
26 limited liability company registrations in the foreign limited liability company's jurisdiction
27 of formation. A foreign limited liability company need not submit a certificate of existence
28 or equivalent document if the official provides free access via the Internet to a searchable
29 database that has evidence of limited liability company registrations.

30 **SECTION 78. Amendment of Foreign Registration Statement.** A registered foreign limited
31 liability company shall deliver to the Secretary of State for filing an amendment to the
32 company's registration statement if a change occurs in:

33 (1) The name of the registered foreign limited liability company;

34 (2) The registered foreign limited liability company's jurisdiction of formation or the
35 company's registry number in the jurisdiction of formation;

36 (3) The period of the registered foreign limited liability company's duration;

37 (4) An address required under section 77 (4) of this 2025 Act; or

38 (5) The information required under section 77 (5) of this 2025 Act.

39 **SECTION 79. Activities Not Constituting Doing Business.** (1) For the purposes of sections
40 1 to 125 of this 2025 Act, the following activities of a foreign limited liability company do not
41 constitute doing business in this state:

42 (a) Maintaining, defending, mediating, arbitrating or settling an action or proceeding;

43 (b) Carrying on any activity concerning the foreign limited liability company's internal
44 affairs, including holding meetings among members or managers;

45 (c) Maintaining accounts in financial institutions;

1 (d) Maintaining offices or agencies for transferring, exchanging and registering the for-
 2 eign limited liability company's securities or maintaining trustees or depositories with re-
 3 spect to the securities;

4 (e) Selling through independent contractors;

5 (f) Soliciting or obtaining orders by any means if the orders require acceptance outside
 6 this state before the orders become contracts;

7 (g) Creating or acquiring indebtedness, mortgages or security interests in property;

8 (h) Securing or collecting debts or enforcing mortgages or security interests in property
 9 that secures the debts and holding, protecting or maintaining property;

10 (i) Conducting an isolated transaction that is not in the course of similar transactions;

11 (j) Owning property, without more;

12 (k) Engaging in interstate commerce; and

13 (L) Other activities that are substantially similar or related to the activities described in
 14 this subsection.

15 (2) A person does not do business in this state solely by being a member or manager of
 16 a foreign limited liability company that does business in this state.

17 (3) This section does not apply in determining whether a contract or activity subjects a
 18 foreign limited liability company to service of process, taxation or regulation under a law of
 19 this state other than sections 1 to 125 of this 2025 Act.

20 **SECTION 80. Noncomplying Name of Foreign Limited Liability Company.** (1) A foreign
 21 limited liability company may not register to do business in this state if the company's name
 22 does not comply with section 13 of this 2025 Act. If the company registers to do business in
 23 this state under a different name, the company shall do business in this state under:

24 (a) The company's name, with the addition of the company's jurisdiction of formation;
 25 or

26 (b) The assumed business name the company registered under ORS chapter 648.

27 (2) A foreign limited liability company that changes names to a name that does not
 28 comply with section 13 of this 2025 Act may not do business in this state until the company
 29 complies with subsection (1) of this section.

30 **SECTION 81. Withdrawal Deemed on Conversion to Domestic Filing Entity or Domestic**
 31 **Limited Liability Partnership.** A registered foreign limited liability company that converts to
 32 a domestic limited liability partnership or to a domestic entity the formation of which re-
 33 quires delivering a record to the Secretary of State for filing withdraws the foreign limited
 34 liability company's registration on the effective date of the conversion.

35 **SECTION 82. Withdrawal on Dissolution or Conversion to Nonfiling Entity Other than**
 36 **Limited Liability Partnership.** (1) A registered foreign limited liability company that has
 37 dissolved and completed winding up or has converted to a domestic entity or foreign entity
 38 the formation of which does not require the public filing of a record, other than a limited
 39 liability partnership, shall deliver a statement of withdrawal to the Secretary of State for
 40 filing. The statement of withdrawal must:

41 (a) For a registered foreign limited liability company that completed winding up:

42 (A) State the name of the registered foreign limited liability company, the name of the
 43 company's jurisdiction of formation and the company's registry number in the jurisdiction
 44 of formation; and

45 (B) Declare that the registered foreign limited liability company surrenders the

1 company's registration to do business in this state; and

2 (b) For a registered foreign limited liability company that has converted:

3 (A) State the name of the converting registered foreign limited liability company, the
4 name of the company's jurisdiction of formation and the company's registry number in the
5 jurisdiction of formation;

6 (B) State the entity type into which the registered foreign limited liability company has
7 converted and the converted entity's jurisdiction of formation;

8 (C) Declare that the converting registered foreign limited liability company surrenders
9 the registration to do business in this state and revokes the authority of the company's
10 registered agent to act as a registered agent in this state on behalf of the company or the
11 converted entity; and

12 (D) State a mailing address to which service of process may be made under subsection
13 (2) of this section.

14 (2) After a withdrawal under this section becomes effective, service of process in any
15 action or proceeding that is based on a cause of action that arose during the time in which
16 the foreign limited liability company was registered to do business in this state may be made
17 in accordance with section 20 of this 2025 Act.

18 **SECTION 83. Transfer of Registration.** (1) If a registered foreign limited liability company
19 merged into a foreign entity that is not registered to do business in this state or converted
20 to a foreign entity that must register with the Secretary of State to do business in this state,
21 the foreign entity shall deliver to the Secretary of State for filing an application to transfer
22 the registered foreign limited liability company's registration to the foreign entity. The ap-
23 plication must state:

24 (a) The name of the registered foreign limited liability company before the merger or
25 conversion;

26 (b) That before the merger or conversion the registration pertained to a foreign limited
27 liability company;

28 (c) The name of the foreign entity into which the registered foreign limited liability
29 company has merged or converted and to which the company intends to transfer the regis-
30 tration;

31 (d) The entity type of the foreign entity and the foreign entity's jurisdiction of formation
32 and registry number in the jurisdiction of formation;

33 (e) The address and mailing address of the principal office of the foreign entity to which
34 the registered foreign limited liability company will transfer the registration and of any other
35 office the foreign entity must maintain under the laws of the foreign entity's jurisdiction of
36 formation, each address being a physical address that includes the number and street name;
37 and

38 (f) The name, address and mailing address of the foreign entity's registered agent in this
39 state, each address being a physical address that includes the number and street name.

40 (2) When a transfer of registration under this section becomes effective, the foreign
41 limited liability company's registration to do business in this state transfers without inter-
42 ruption to the foreign entity into which the foreign limited liability company merged or
43 converted.

44 **SECTION 84. Termination of Registration.** (1) The Secretary of State may terminate the
45 registration of a registered foreign limited liability company as provided in subsections (2)

1 and (3) of this section if any of the following grounds exist for the termination:

2 (a) The registered foreign limited liability company does not:

3 (A) Timely pay any fee, interest or penalty the registered foreign limited liability com-
4 pany must pay to the Secretary of State under sections 1 to 125 of this 2025 Act or under
5 other applicable law;

6 (B) Timely deliver to the Secretary of State for filing the annual report required under
7 section 35 of this 2025 Act;

8 (C) Have a registered agent in this state as required under section 16 of this 2025 Act;

9 (D) Deliver to the Secretary of State for filing a statement of change under section 17
10 of this 2025 Act not later than 30 days after a change occurs in the name or address of the
11 registered foreign limited liability company's registered agent;

12 (E) Comply with an order from the Secretary of State under section 23 of this 2025 Act;

13 or

14 (F) Comply with the requirements of section 75 (3) of this 2025 Act;

15 (b) An organizer, manager, member or agent of the registered foreign limited liability
16 company signs a record with intent to deliver the record to the Secretary of State for filing,
17 knowing that the record is false in any material respect;

18 (c) The Secretary of State receives from the official that has custody of the records of
19 limited liability company registrations in the limited liability company's jurisdiction of for-
20 mation a duly authenticated certificate that states that the foreign limited liability company
21 was dissolved or has ceased to exist as the result of a merger or other reorganization
22 transaction; or

23 (d) The period of duration of the registered foreign limited liability company expires.

24 (2) The Secretary of State may terminate a registered foreign limited liability company's
25 registration by:

26 (a) Filing a notice of termination or noting the termination in the records of the Secre-
27 tary of State; and

28 (b) Delivering a copy of the notice or the information in the notation to the registered
29 foreign limited liability company's registered agent or to the company's principal office, if
30 the company does not have a registered agent in this state.

31 (3) The notice must state or the information in the notation must include:

32 (a) The effective date of the termination, which must be at least 45 days after the date
33 on which the Secretary of State delivers the copy of the notice or the information in the
34 notation; and

35 (b) The grounds for the termination.

36 (4) The authority of the registered limited liability company to do business in this state
37 ceases on the effective date of the notice of termination or of the notation described in
38 subsection (2) of this section unless before the effective date the company cures each of the
39 grounds for termination listed in the notice or notation. If the registered foreign limited li-
40 ability company cures the grounds, the Secretary of State shall file a record that withdraws
41 the termination.

42 (5) The Secretary of State's termination of a registered foreign limited liability company's
43 registration appoints the Secretary of State as the company's agent for service of process
44 in any proceeding based on a cause of action that arose during the time the company was
45 registered to do business in this state.

1 (6) A termination of a registered foreign limited liability company's registration termi-
 2 nates the authority of the company's registered agent.

3 **SECTION 85. Reinstatement of Authority of Foreign Limited Liability Company.** (1) A
 4 foreign limited liability company may apply to reinstate a registration that the Secretary of
 5 State terminated under section 84 of this 2025 Act if the company submits the application
 6 not later than five years after the effective date of the termination. An application under this
 7 section must:

8 (a) State the name of the foreign limited liability company at the time of the termination.

9 (b) State the address of the foreign limited liability company's principal office and the
 10 name, address and mailing address of the company's registered agent in this state. All ad-
 11 dresses must be physical addresses that include the number and street name.

12 (c) State the effective date of the foreign limited liability company's termination.

13 (d) Declare that the foreign limited liability company has cured all conditions that pro-
 14 vided grounds for the Secretary of State to terminate the company's registration under
 15 section 84 of this 2025 Act, or that the conditions no longer exist.

16 (2) To become reinstated, a foreign limited liability company shall pay all fees, taxes, in-
 17 terest and penalties the foreign limited liability company:

18 (a) Owed to the Secretary of State or to another agency of this state at the time of the
 19 termination; and

20 (b) Would have owed to the Secretary of State or to another agency of the state during
 21 the period in which the registration of the limited liability company was terminated.

22 (3) If the Secretary of State determines that an application under subsection (1) of this
 23 section is complete and correct and that the foreign limited liability company has made all
 24 payments described in subsection (2) of this section, the Secretary of State shall prepare and
 25 file a statement of reinstatement that:

26 (a) Identifies the name of the reinstated registered foreign limited liability company; and

27 (b) States the substance of the Secretary of State's determination and the effective date
 28 of the reinstatement.

29 (4) The Secretary of State may waive the requirement under subsection (1) of this section
 30 that the foreign limited liability company apply for reinstatement within five years after the
 31 date of termination if the company requests the waiver and provides evidence of the
 32 company's continued existence as an active concern during the period following termination.

33 (5) Once a reinstatement under this section becomes effective:

34 (a) The reinstatement relates back to and takes effect as of the effective date of the
 35 termination; and

36 (b) The registered foreign limited liability company resumes carrying on the company's
 37 activities and affairs as if the termination had not occurred.

38 (6) A person's rights that arise out of an act or omission in reliance on the termination
 39 before the person knew or had notice of the reinstatement are not affected.

40 **SECTION 86. Judicial Review of Denial of Reinstatement.** (1) If the Secretary of State
 41 denies a foreign limited liability company's application for reinstatement following termi-
 42 nation, the Secretary of State shall serve the limited liability company with a notice in a
 43 record that explains the reasons for the denial.

44 (2) The foreign limited liability company may appeal the denial of the reinstatement un-
 45 der ORS chapter 183.

1 **SECTION 87. Withdrawal of Registration of Registered Foreign Limited Liability Com-**
 2 **pany.** (1) A registered foreign limited liability company may withdraw the company's regis-
 3 tration by delivering a statement of withdrawal to the Secretary of State for filing. The
 4 statement of withdrawal must state:

5 (a) The name of the registered foreign limited liability company, the name of the
 6 company's jurisdiction of formation and the registry number in the jurisdiction of formation;

7 (b) That the registered foreign limited liability company is not doing business in this
 8 state and withdraws the registration to do business in this state;

9 (c) That the registered foreign limited liability company revokes the authority of the
 10 company's registered agent to accept service of process on the company's behalf;

11 (d) A mailing address to which service of process may be made under subsection (2) of
 12 this section; and

13 (e) That the foreign limited liability company will for a period of five years after the ef-
 14 fective date of the withdrawal notify the Secretary of State of any change in the company's
 15 mailing address.

16 (2) After a withdrawal under this section becomes effective, service of process in any
 17 action or proceeding that is based on a cause of action that arose during the time in which
 18 the foreign limited liability company was registered to do business in this state may be made
 19 in accordance with section 20 of this 2025 Act.

20 **SECTION 88. Action by Secretary of State.** The Secretary of State may bring an action
 21 to enjoin a foreign limited liability company from doing business in this state in violation of
 22 sections 1 to 125 of this 2025 Act.

23 **SECTION 89. Taxation of Limited Liability Companies and Members.** For purposes of
 24 state taxes administered by the Department of Revenue under the tax laws of this state, lo-
 25 cal taxes administered by the department under ORS 305.620 and assessments, fees, charges
 26 and taxes collected by the counties through the property tax rolls, a limited liability company
 27 or a registered foreign limited liability company must be classified in the same manner as
 28 the limited liability company or registered foreign limited liability company is classified for
 29 federal income tax purposes. For purposes of state taxes administered by the department
 30 under the tax laws of this state, local taxes administered by the department under ORS
 31 305.620 and assessments, fees, charges and taxes collected by the counties through the
 32 property tax rolls, a member or an assignee of a member of a limited liability company or
 33 registered foreign limited liability company has the same status that the member or the
 34 assignee has for federal income tax purposes.

35
 36 **MERGER, INTEREST EXCHANGE, CONVERSION AND DOMESTICATION**

37
 38 **SECTION 90. Definitions.** As used in sections 90 to 120 of this 2025 Act:

39 (1) "Acquired entity" means an entity all of one or more classes or series of interests
 40 of which are acquired in an interest exchange.

41 (2) "Acquiring entity" means an entity that acquires all of one or more classes or series
 42 of interests of an acquired entity in an interest exchange.

43 (3) "Conversion" means a transaction that occurs in accordance with sections 109 to 114
 44 of this 2025 Act.

45 (4) "Converted entity" means a converting entity as the entity continues in existence

1 after a conversion.

2 (5) “Converting entity” means a domestic entity that approves a plan of conversion under
3 section 111 of this 2025 Act or a foreign entity that approves the conversion under the laws
4 of the foreign entity’s jurisdiction of formation.

5 (6) “Distributional interest” means a right to receive a distribution from an
6 unincorporated entity under the unincorporated entity’s organic law and organic rules.

7 (7) “Domesticated limited liability company” means a domesticating limited liability
8 company as the domesticating limited liability company continues in existence after a
9 domestication.

10 (8) “Domesticating limited liability company” means a limited liability company that ap-
11 proves a plan of domestication under section 117 of this 2025 Act or a foreign limited liability
12 company that approves a plan of domestication under the laws of the foreign limited liability
13 company’s jurisdiction of formation.

14 (9) “Domestication” means a transaction authorized under sections 115 to 120 of this 2025
15 Act.

16 (10) “Domestic entity” means an entity the internal affairs of which are governed by the
17 laws of this state.

18 (11)(a) “Entity” means:

19 (A) Any of the following for-profit entities:

20 (i) A professional corporation that is organized under ORS chapter 58, a predecessor law
21 or a comparable law of another jurisdiction;

22 (ii) A corporation that is organized under ORS chapter 60, a predecessor law or a com-
23 parable law of another jurisdiction;

24 (iii) A limited liability company that is organized under sections 1 to 125 of this 2025 Act
25 or a comparable law of another jurisdiction;

26 (iv) A partnership that is organized in this state after January 1, 1998, or that is regis-
27 tered as a limited liability partnership, or that has elected to be governed by ORS chapter
28 67, and a partnership that is governed by law of another jurisdiction that expressly provides
29 for conversions and mergers; and

30 (v) A limited partnership that is organized under ORS chapter 70, a predecessor law or
31 a comparable law of another jurisdiction;

32 (B) A cooperative that is organized under ORS chapter 62, a predecessor law or a com-
33 parable law of another jurisdiction; and

34 (C) A nonprofit corporation that is organized under ORS chapter 65, a predecessor law
35 or a comparable law of another jurisdiction.

36 (b) “Entity” does not include:

37 (A) An individual;

38 (B) A charitable trust or a trust that has a predominantly donative purpose;

39 (C) An association or relationship that is not described in paragraph (a) of this subsection
40 and is not a limited liability partnership or limited partnership under ORS chapter 67 or 70
41 or under similar provisions of law in another jurisdiction;

42 (D) A decedent’s estate; or

43 (E) A government or a governmental subdivision, agency or instrumentality.

44 (12) “Entity type” means the category that describes an entity’s organizational form,
45 examples of which include partnerships, limited partnerships, limited liability partnerships,

1 limited liability companies, corporations, nonprofit corporations, cooperatives and other
2 forms that are recognized under common law or are organized under a law of this state or
3 of another jurisdiction.

4 (13)(a) "Filing entity" means an entity the formation of which requires filing a public
5 organic record.

6 (b) "Filing entity" does not include a limited liability partnership.

7 (14) "Foreign entity" means an entity the internal affairs of which are subject to the laws
8 of a jurisdiction other than this state.

9 (15) "Governance interest" means a right under an unincorporated entity's organic law
10 or organic rules, other than a right as a governor, agent, assignee or proxy, to:

11 (a) Demand or receive access to an entity's books and records or to other information
12 about the entity;

13 (b) Vote for or consent to the election of the governors of the entity; or

14 (c) Receive notice of, vote on or consent to an issue that involves the internal affairs of
15 the entity.

16 (16) "Governor" means:

17 (a) A director of a professional corporation that is organized under ORS chapter 58, a
18 predecessor law or a comparable law of another jurisdiction;

19 (b) A director of a corporation that is organized under ORS chapter 60, a predecessor law
20 or a comparable law of another jurisdiction;

21 (c) A member of a member-managed limited liability company or a manager of a
22 manager-managed limited liability company that is organized under sections 1 to 125 of this
23 2025 Act or under a comparable law of another jurisdiction;

24 (d) A partner in a partnership that is organized in this state after January 1, 1998, or
25 that is registered as a limited liability partnership, or that has elected to be governed by ORS
26 chapter 67, or a partner in a partnership or a limited liability partnership that is governed
27 by law of another jurisdiction that expressly provides for conversions and mergers;

28 (e) A general partner in a limited partnership that is organized under ORS chapter 70, a
29 predecessor law or a comparable law of another jurisdiction; and

30 (f) A director of a cooperative that is organized under ORS chapter 62, a predecessor law
31 or a comparable law of another jurisdiction.

32 (17) "Interest" means:

33 (a) A share in a professional corporation that is organized under ORS chapter 58, a
34 predecessor law or a comparable law of another jurisdiction;

35 (b) A share in a corporation that is organized under ORS chapter 60, a predecessor law
36 or a comparable law of another jurisdiction;

37 (c) A membership interest in a limited liability company that is organized under sections
38 1 to 125 of this 2025 Act or under a comparable law of another jurisdiction;

39 (d) A partnership interest in a partnership that is organized in this state after January
40 1, 1998, or that is registered as a limited liability partnership, or that has elected to be gov-
41 erned by ORS chapter 67, or a partnership interest in a partnership or a limited liability
42 partnership that is governed by law of another jurisdiction that expressly provides for con-
43 versions and mergers;

44 (e) A partnership interest in a limited partnership that is organized under ORS chapter
45 70, a predecessor law or a comparable law of another jurisdiction;

1 (f) A share or membership in a cooperative that is organized under ORS chapter 62, a
 2 predecessor law or a comparable law of another jurisdiction; or

3 (g) A governance interest or distributional interest in any other type of unincorporated
 4 entity.

5 (18) “Interest exchange” means a transaction authorized under sections 103 to 108 of this
 6 2025 Act.

7 (19) “Interest holder” means:

8 (a) A shareholder in a professional corporation that is organized under ORS chapter 58,
 9 a predecessor law or a comparable law of another jurisdiction;

10 (b) A shareholder in a corporation that is organized under ORS chapter 60, a predecessor
 11 law or a comparable law of another jurisdiction;

12 (c) A member of a limited liability company that is organized under sections 1 to 125 of
 13 this 2025 Act or a comparable law of another jurisdiction;

14 (d) A partner in a partnership that is organized in this state after January 1, 1998, or
 15 that is registered as a limited liability partnership, or that has elected to be governed by ORS
 16 chapter 67, or a partner in a partnership or a limited liability partnership that is governed
 17 by law of another jurisdiction that expressly provides for conversions and mergers;

18 (e) A general partner in a limited partnership that is organized under ORS chapter 70, a
 19 predecessor law or a comparable law of another jurisdiction; and

20 (f) A shareholder or member of a cooperative that is organized under ORS chapter 62, a
 21 predecessor law or a comparable law of another jurisdiction.

22 (20) “Interest holder liability” means:

23 (a) Personal liability for a liability of an entity that a person incurs:

24 (A) Solely by reason of the person’s status as an interest holder; or

25 (B) Under an entity’s organic rules that provide that a specified interest holder or cate-
 26 gory of interest holders is liable in the interest holder’s capacity as an interest holder for
 27 all of an entity’s liabilities or for specified liabilities; or

28 (b) An obligation that an interest holder has under an entity’s organic rules to contribute
 29 to the entity.

30 (21) “Merger” means a transaction authorized under sections 97 to 102 of this 2025 Act.

31 (22) “Merging entity” means an entity that is a party to a merger and that exists im-
 32 mediately before the merger becomes effective.

33 (23) “Organic law” means the law of an entity’s jurisdiction of formation that governs
 34 the entity’s internal affairs.

35 (24) “Organic rules” means an entity’s public organic record and private organic rules.

36 (25) “Plan of conversion” means a plan described in section 110 of this 2025 Act.

37 (26) “Plan of domestication” means a plan described in section 116 of this 2025 Act.

38 (27) “Plan of interest exchange” means a plan described in section 104 of this 2025 Act.

39 (28) “Plan of merger” means a plan described in section 98 of this 2025 Act.

40 (29) “Private organic rules” means rules that govern an entity’s internal affairs, that are
 41 binding on all of the entity’s interest holders and that are not part of any public organic
 42 record of the entity, even if the rules are not in a record. Examples of private organic rules
 43 include:

44 (a) Bylaws of a professional corporation that is organized under ORS chapter 58, a pred-
 45 ecessor law or a comparable law of another jurisdiction;

1 **(b) Bylaws of a corporation that is organized under ORS chapter 60, a predecessor law**
2 **or a comparable law of another jurisdiction;**

3 **(c) An operating agreement of a limited liability company that is organized under**
4 **sections 1 to 125 of this 2025 Act or a comparable law of another jurisdiction;**

5 **(d) A partnership agreement of a partnership that is organized in this state after January**
6 **1, 1998, or that is registered as a limited liability partnership, or that has elected to be gov-**
7 **erned by ORS chapter 67, or a partnership agreement of a partnership or a limited liability**
8 **partnership that is governed by law of another jurisdiction that expressly provides for con-**
9 **versions and mergers;**

10 **(e) A partnership agreement of a limited partnership that is organized under ORS chap-**
11 **ter 70, a predecessor law or a comparable law of another jurisdiction; and**

12 **(f) Bylaws of a cooperative that is organized under ORS chapter 62, a predecessor law**
13 **or a comparable law of another jurisdiction.**

14 **(30) “Protected agreement” means:**

15 **(a) A record that is evidence of indebtedness and any related agreement that is effective**
16 **on and after the effective date of this 2025 Act;**

17 **(b) An agreement that is binding on an entity on and after the effective date of this 2025**
18 **Act;**

19 **(c) The organic rules of an entity that are in effect on or after the effective date of this**
20 **2025 Act; or**

21 **(d) An agreement that binds any of an entity’s governors or interest holders and is ef-**
22 **fective on and after the effective date of this 2025 Act.**

23 **(31) “Public organic record” means a record the filing of which by the Secretary of State**
24 **is required in order to form an entity in this state, or any amendment to or restatement of**
25 **the record. Examples of public organic records include:**

26 **(a) Articles of incorporation for a professional corporation that is organized under ORS**
27 **chapter 58, a predecessor law or a comparable law of another jurisdiction;**

28 **(b) Articles of incorporation for a corporation that is organized under ORS chapter 60,**
29 **a predecessor law or a comparable law of another jurisdiction;**

30 **(c) Articles of organization for a limited liability company that is organized under**
31 **sections 1 to 125 of this 2025 Act or a comparable law of another jurisdiction;**

32 **(d) A registration for a limited liability partnership; and**

33 **(e) Articles of incorporation for a cooperative that is organized under ORS chapter 62, a**
34 **predecessor law or a comparable law of another jurisdiction.**

35 **(32) “Registered foreign entity” means a foreign entity that is authorized to do business**
36 **in this state under a registration statement that the Secretary of State filed.**

37 **(33) “Statement of conversion” means a statement described in section 113 of this 2025**
38 **Act.**

39 **(34) “Statement of domestication” means a statement described in section 119 of this 2025**
40 **Act.**

41 **(35) “Statement of interest exchange” means a statement described in section 107 of this**
42 **2025 Act.**

43 **(36) “Statement of merger” means a statement described in section 101 of this 2025 Act.**

44 **(37) “Surviving domestic entity” means a surviving entity that is or becomes organized**
45 **under the laws of this state.**

1 (38) “Surviving entity” means an entity that continues in existence after, or is created
2 by, a merger.

3 (39) “Surviving foreign entity” means a surviving entity that is or becomes organized
4 under the laws of a jurisdiction other than this state.

5 **SECTION 91. Relationship to Other Laws.** (1) Sections 90 to 120 of this 2025 Act do not
6 authorize an act prohibited by, and do not affect the application or requirements of, laws
7 other than sections 90 to 120 of this 2025 Act.

8 (2) A transaction under sections 90 to 120 of this 2025 Act does not create or impair a
9 person’s right, duty or obligation under the statutory laws of this state, other than sections
10 90 to 120 of this 2025 Act, relating to a change in control, takeover, business combination,
11 acquisition of controlling shares or a similar transaction that involves a domestic
12 corporation’s merger, acquisition of or by another entity, conversion or domestication, un-
13 less:

14 (a) The transaction complies with any requirements of the law, if the corporation does
15 not survive the transaction; or

16 (b) A vote of the directors or shareholders of the corporation to approve a plan of
17 merger, plan of interest exchange, plan of conversion or plan of domestication is sufficient
18 to create or impair the right, duty or obligation directly under the law, if the corporation
19 survives the transaction.

20 **SECTION 92. Required Notice or Approval.** (1) A domestic entity or foreign entity that
21 must notify or obtain approval from a governmental agency or officer of this state to become
22 a party to a merger shall in the same manner give notice or obtain approval to become a
23 party to an interest exchange, conversion or domestication.

24 (2) Property that a domestic entity or foreign entity holds for a charitable purpose under
25 the laws of this state immediately before a transaction under sections 90 to 120 of this 2025
26 Act becomes effective may not, as a result of the transaction, be diverted from the purpose
27 for which the property was donated, granted, devised or otherwise transferred unless the
28 domestic entity or foreign entity obtains an order from a circuit court of this state to modify
29 the purpose of the donation, grant or devise or to lift a restriction on the use of the prop-
30 erty. The domestic entity or foreign entity shall notify the Attorney General of any action
31 the domestic entity or foreign entity brings to seek the order and the court shall allow the
32 Attorney General to be heard before issuing an order.

33 (3) A bequest, devise, gift, grant or promise in a will or another instrument of donation,
34 subscription or conveyance that is made to a merging entity that is not the surviving entity
35 and that takes effect or remains payable after the merger inures to the surviving entity.

36 (4) A trust obligation that would govern property if the property is transferred to an
37 entity that does not survive a transaction under sections 90 to 120 of this 2025 Act applies
38 instead to property that is transferred to the surviving entity under this section.

39 **SECTION 93. Nonexclusivity.** The fact that a transaction under sections 90 to 120 of this
40 2025 Act produces a certain result does not preclude other means of accomplishing the result
41 under law other than sections 1 to 125 of this 2025 Act.

42 **SECTION 94. Reference to External Facts.** A plan of conversion, plan of domestication,
43 plan of interest exchange or plan of merger may refer to facts that are ascertainable outside
44 the plan if the plan specifies the manner in which the facts will operate upon the plan. Facts
45 may include the occurrence of an event or a person’s determination or action whether or

1 not the event, determination or action is within the control of a party to the transaction.

2 **SECTION 95. Appraisal Rights.** An interest holder with an interest in a limited liability
3 company that is engaging in a conversion, domestication, interest exchange or merger has
4 a contractual right to an appraisal in connection with a transaction under sections 90 to 120
5 of this 2025 Act to the extent set forth in:

6 (1) The operating agreement; or

7 (2) A plan of conversion, plan of domestication, plan of interest exchange or plan of
8 merger.

9 **SECTION 96. Excluded Entities and Transaction.** Sections 90 to 120 of this 2025 Act do
10 not authorize an entity to participate in a transaction under sections 90 to 120 of this 2025
11 Act if another law of this state prohibits, restricts or otherwise exclusively regulates the
12 transaction or the entity's participation in the transaction.

13 **SECTION 97. Merger Authorized.** (1) By complying with sections 97 to 102 of this 2025
14 Act:

15 (a) A limited liability company may merge with a domestic entity or a foreign entity into
16 a surviving domestic entity or surviving foreign entity; and

17 (b) Two or more foreign entities may merge into a limited liability company.

18 (2) By complying with the provisions of sections 97 to 102 of this 2025 Act that apply to
19 foreign entities, a foreign entity may be a party to a merger under sections 97 to 102 of this
20 2025 Act or may become the surviving entity in the merger if the laws of the foreign entity's
21 jurisdiction of formation authorize the merger.

22 **SECTION 98. Plan of Merger.** (1) A limited liability company may become a party to a
23 merger under sections 97 to 102 of this 2025 Act by approving a plan of merger. The plan
24 must be a record and must:

25 (a) State each merging entity's name, jurisdiction of formation and entity type;

26 (b) State whether the merger will create a surviving entity and state the surviving
27 entity's name, jurisdiction of formation and entity type;

28 (c) Describe how the merger will convert each party's interests into interests, securities,
29 obligations, money or other property, rights to acquire interests or securities or any combi-
30 nation of interests, securities, obligations, money, property or rights;

31 (d) Include the text of any proposed amendments to the surviving entity's public organic
32 record, if any exists, and private organic rules that are or are proposed be in a record, if the
33 surviving entity existed before the merger;

34 (e) Include the text of the surviving entity's proposed public organic record, if any will
35 exist, and the entity's private organic rules that are or are proposed to be in a record, if the
36 merger creates the surviving entity;

37 (f) Include any other terms and conditions of the merger; and

38 (g) Include any other provision required under the laws of a merging entity's jurisdiction
39 of formation or the merging entity's organic rules.

40 (2) A plan of merger may include, in addition to the elements required under subsection
41 (1) of this section, any other provision not otherwise prohibited by law.

42 **SECTION 99. Approval of Merger.** (1) A plan of merger is not effective unless:

43 (a) All of the members of the merging limited liability company that may vote on or
44 consent to any matter have approved the plan; and

45 (b) Each member of a merging limited liability company that will have interest holder

1 liability for debts, obligations and other liabilities that are incurred after the merger becomes
2 effective approves the plan in a record, unless:

3 (A) The operating agreement of the merging limited liability company provides in a re-
4 cord for approving a plan of merger in which the affirmative vote or consent of fewer than
5 all of the members of a merging limited liability company can subject all members of the
6 merging limited liability company to interest holder liability; and

7 (B) The member voted for or consented in a record to the provision described in sub-
8 paragraph (A) of this paragraph or became a member after the provision was adopted.

9 (2) A plan of merger that involves a merging domestic entity that is not a limited liability
10 company is not effective unless the entity approves the plan in accordance with the entity's
11 organic law.

12 (3) A plan of merger that involves a merging foreign entity is not effective unless the
13 entity approves the plan in accordance with the law of the entity's jurisdiction of formation.

14 **SECTION 100. Amendment or Abandonment of Plan of Merger.** (1) A plan of merger may
15 be amended only with the consent of each party to the plan, unless the plan provides other-
16 wise.

17 (2) A merging limited liability company may approve an amendment to a plan of merger:

18 (a) In the same manner as the plan was approved, if the plan does not specify a manner
19 of amendment; or

20 (b) By the members or managers in the manner the plan of merger specifies, but a
21 member that may vote on or consent to approving the plan of merger may vote on or con-
22 sent to any amendment that will change:

23 (A) The amount or kind of interests, securities, obligations, money or other property,
24 rights to acquire interests or securities or any combination of interests, securities, obli-
25 gations, money, property or rights that the interest holders of any party to the plan of
26 merger will receive under the plan;

27 (B) The public organic record, if any exists, or the private organic rules of the surviving
28 entity that will become effective immediately after the merger becomes effective, except for
29 changes that under the surviving entity's organic law or organic rules do not require the
30 approval of the interest holders of the surviving entity; or

31 (C) Any other terms or conditions of the plan if the change would adversely affect the
32 member in any material respect.

33 (3) After a plan of merger is approved and before a statement of merger becomes effec-
34 tive, the plan may be abandoned as provided in the plan. A party to the plan may abandon
35 the plan in the same manner as the plan was approved, unless the plan provides otherwise.

36 (4) If a party to a plan of merger abandons the plan after a statement of merger was
37 delivered to the Secretary of State for filing and before the statement of merger is effective,
38 before the statement of merger becomes effective the party shall deliver to the Secretary
39 of State for filing a statement of abandonment signed by a party to the plan of merger. The
40 statement of abandonment takes effect upon filing and the merger does not become effective.
41 The statement of abandonment must:

42 (a) Identify each party to the plan of merger;

43 (b) State the date on which the Secretary of State filed the statement of merger; and

44 (c) Declare that the party has abandoned the plan of merger in accordance with this
45 section.

1 **SECTION 101. Statement of Merger; Effective Date of Merger.** (1) For a merger to be
2 effective, a plan of merger and statement of merger must be signed by each merging entity
3 and delivered to the Secretary of State for filing.

4 (2) A statement of merger must:

5 (a) State the name, the jurisdiction of formation and the entity type of each merging
6 entity that is not the surviving entity;

7 (b) State the name, the jurisdiction of formation and the entity type of the surviving
8 entity;

9 (c) Include a plan of merger or, in lieu of a plan of merger, a written declaration that:

10 (A) Identifies an address for an office of the surviving entity where the plan of merger
11 is on file; and

12 (B) States that the surviving entity will provide an owner, member or shareholder of any
13 merging entity with a copy of the plan of merger without charge upon request;

14 (d) Declare in writing that each merging domestic entity, if any, approved the plan of
15 merger in accordance with sections 97 to 102 of this 2025 Act and that each merging foreign
16 entity, if any, approved the plan of merger in accordance with the law of the foreign entity's
17 jurisdiction of formation;

18 (e) Include any amendment to the surviving domestic entity's public organic record that
19 the surviving domestic entity approved as part of the plan of merger, if the surviving do-
20 mestic entity is a filing entity and existed before the merger;

21 (f) Include the surviving domestic entity's public organic record, if the surviving domes-
22 tic entity is a filing entity and if the merger created the surviving domestic entity; and

23 (g) Include an application for registration under ORS 67.603, if the merger created the
24 surviving domestic entity as a domestic limited liability partnership.

25 (3) In addition to the elements required for a statement of merger under subsection (2)
26 of this section, the statement may include any other provision that is not prohibited by law.

27 (4) The public organic record of a surviving domestic entity must comply with the re-
28 quirements of the laws of this state, except that the public organic record does not need to
29 be signed.

30 (5) Instead of a statement of merger, merging entities may deliver to the Secretary of
31 State for filing a plan of merger that all merging entities have signed and that complies with
32 subsection (2) of this section. A plan of merger that the Secretary of State files under this
33 subsection has the same effect as a statement of merger. If the Secretary of State files a
34 plan of merger under this subsection, references in sections 97 to 102 of this 2025 Act to a
35 statement of merger refer instead to the plan of merger.

36 (6) If the surviving entity is a limited liability company, a merger becomes effective when
37 the statement of merger is effective. Otherwise, a merger becomes effective on the later of:

38 (a) The date on which the statement of merger is effective; or

39 (b) The date that the organic law of the surviving entity specifies.

40 **SECTION 102. Effect of Merger.** (1) When a merger becomes effective:

41 (a) A surviving entity continues or comes into existence;

42 (b) Each merging entity other than the surviving entity ceases to exist;

43 (c) All property of each merging entity vests in the surviving entity without transfer,
44 reversion or impairment;

45 (d) All debts, obligations and other liabilities of each merging entity are debts, obligations

1 and other liabilities of the surviving entity;

2 (e) All the rights, privileges, immunities, powers and purposes of each merging entity
3 vest in the surviving entity, unless applicable law or the plan of merger provides otherwise;

4 (f) The name of the surviving entity may be substituted for the name of any merging
5 entity that is a party to any pending action or proceeding;

6 (g) The interests in each merging entity that must be converted under the plan of merger
7 are converted and the interest holders of the converted interests have only the rights that
8 the plan of merger specifies plus any appraisal rights available under section 95 of this 2025
9 Act and the merging entity's organic law;

10 (h) For a surviving entity that exists before the merger:

11 (A) All property of the surviving entity remains vested in the surviving entity without
12 transfer, reversion or impairment;

13 (B) The surviving entity remains subject to the surviving entity's debts, obligations and
14 other liabilities;

15 (C) The surviving entity's rights, privileges, immunities, powers and purposes remain
16 vested in the surviving entity;

17 (D) The surviving entity's public organic record, if any, is amended as provided in the
18 plan of merger; and

19 (E) Any private organic rules of the surviving entity that are or will be in a record are
20 amended as provided in the plan of merger;

21 (i) For a surviving entity that the merger creates:

22 (A) The surviving entity's private organic rules are effective;

23 (B) The surviving entity's public organic record is effective, if the surviving entity is a
24 filing entity; and

25 (C) An application for registration under ORS 67.603 becomes effective, if the surviving
26 entity is a limited liability partnership;

27 (j) A person has interest holder liability with respect to a domestic entity only to the
28 extent that the domestic entity's organic law specifies, and only for debts, obligations and
29 other liabilities incurred after the merger becomes effective, if the person did not have in-
30 terest holder liability with respect to any of the merging entities and became subject to in-
31 terest holder liability with respect to the domestic entity only as a result of the merger;

32 (k) For a person that no longer holds an interest in a merging limited liability company
33 in which the person previously had interest holder liability:

34 (A) The merger does not discharge any interest holder liability under sections 1 to 125
35 of this 2025 Act that the person incurred before the merger became effective;

36 (B) The person does not have interest holder liability under sections 1 to 125 of this 2025
37 Act for any debt, obligation or other liability that the surviving entity incurs after the
38 merger is effective, except that for a period of one year after the effective date of the merger
39 the person has personal liability for liabilities the surviving entity incurs if:

40 (i) Before the merger the person was a partner in a merging partnership or a general
41 partner in a merging limited liability partnership and was personally liable for the debts of
42 the partnership or limited liability partnership;

43 (ii) After the merger the person would ordinarily be protected from personal liability; and

44 (iii) Another party to the transaction that created the liability reasonably believes that
45 the person has personal liability for any debt, obligation or other liability the surviving entity

1 incurred and did not receive notice of the merger;

2 (C) Sections 1 to 125 of this 2025 Act apply, as if the merger did not occur, to a release,
3 collection or discharge of any of the person's interest holder liability that remains under
4 subparagraph (A) of this paragraph; and

5 (D) With respect to any of the person's interest holder liability that remains under sub-
6 paragraph (A) of this paragraph, the person has the rights of contribution from any other
7 person that are available, as if the merger did not occur, under the merging limited liability
8 company's operating agreement, under sections 1 to 125 of this 2025 Act or under law other
9 than sections 1 to 125 of this 2025 Act;

10 (L) A foreign entity that is the surviving entity may be served with process in this state
11 for collecting and enforcing any of a merging limited liability company's debts, obligations
12 or other liabilities as provided in section 20 of this 2025 Act; and

13 (m) A registration to do business in this state for a merging foreign entity that is not
14 the surviving entity is canceled.

15 (2) Except as otherwise provided in a merging entity's organic law or organic rules, a
16 merger does not provide rights to an interest holder, governor or third party that the in-
17 terest holder, governor or third party would have upon a dissolution, liquidation or winding
18 up of the merging entity.

19 **SECTION 103. Interest Exchange Authorized.** (1) By complying with sections 103 to 108
20 of this 2025 Act:

21 (a) A limited liability company may acquire all of one or more classes or series of inter-
22 ests of another domestic entity or foreign entity in exchange for interests, securities, obli-
23 gations, money or other property, rights to acquire interests or securities or any
24 combination of interests, securities, obligations, money, property or rights; or

25 (b) Another domestic entity or foreign entity may acquire all of one or more classes or
26 series of interests of a limited liability company in exchange for interests, securities, obli-
27 gations, money or other property, rights to acquire interests or securities or any combina-
28 tion of interests, securities, obligations, money, property or rights.

29 (2) By complying with the provisions of sections 103 to 108 of this 2025 Act that apply to
30 foreign entities, a foreign entity may be the acquiring or acquired party in an interest ex-
31 change under sections 103 to 108 of this 2025 Act if the laws of the foreign entity's jurisdic-
32 tion of formation authorize the interest exchange.

33 (3) If a protected agreement includes a provision that applies to a merger of a limited
34 liability company but does not refer to an interest exchange, the provision applies to an in-
35 terest exchange in which the limited liability company is the acquired entity as if the interest
36 exchange were a merger until the provision is amended after the effective date of this 2025
37 Act.

38 **SECTION 104. Plan of Interest Exchange.** (1) A limited liability company may be the ac-
39 quired entity in an interest exchange under sections 103 to 108 of this 2025 Act by approving
40 a plan of interest exchange. The plan must be a record and must:

41 (a) State the acquired entity's name;

42 (b) State the acquiring entity's name, jurisdiction of formation and entity type;

43 (c) Describe how the interest exchange will convert the acquired entity's interests into
44 interests, securities, obligations, money or other property, rights to acquire interests or se-
45 curities or any combination of interests, securities, obligations, money, property or rights;

1 (d) Include the text of any proposed amendments to the acquired entity's articles of or-
2 ganization and operating agreement that are or are proposed to be in a record;

3 (e) Include any other terms and conditions of the merger; and

4 (f) Include any other provision required under the laws of this state or the acquired
5 entity's operating agreement.

6 (2) A plan of interest exchange may include, in addition to the elements required under
7 subsection (1) of this section, any other provision not otherwise prohibited by law.

8 **SECTION 105. Approval of Interest Exchange.** (1) A plan of interest exchange is not ef-
9 fective unless:

10 (a) All of the members of the acquired limited liability company that may vote on or
11 consent to any matter have approved the plan; and

12 (b) Each member of the acquired limited liability company that will have interest holder
13 liability for debts, obligations and other liabilities that are incurred after the interest ex-
14 change becomes effective approves the plan in a record, unless:

15 (A) The operating agreement of the acquired limited liability company provides in a re-
16 cord for approving a plan of interest exchange in which the affirmative vote or consent of
17 fewer than all of the members of the company can subject all members of the company to
18 interest holder liability; and

19 (B) The member voted for or consented in a record to the provision described in sub-
20 paragraph (A) of this paragraph or became a member after the provision was adopted.

21 (2) A plan of interest exchange that involves an acquired domestic entity that is not a
22 limited liability company is not effective unless the entity approves the plan in accordance
23 with the acquired domestic entity's organic law.

24 (3) A plan of interest exchange that involves an acquired foreign entity is not effective
25 unless the entity approves the plan in accordance with the law of the entity's jurisdiction
26 of formation.

27 (4) Interest holders of an acquiring entity need not approve the interest exchange unless
28 the acquiring entity's organic law or organic rules provide otherwise.

29 **SECTION 106. Amendment or Abandonment of Plan of Interest Exchange.** (1) A plan of
30 interest exchange may be amended only with the consent of each party to the plan, unless
31 the plan provides otherwise.

32 (2) An acquired limited liability company may approve an amendment to a plan of interest
33 exchange:

34 (a) In the same manner as the plan was approved, if the plan does not specify a manner
35 of amendment; or

36 (b) By the members or managers in the manner the plan specifies, but a member that
37 may vote on or consent to approving the plan may vote on or consent to any amendment
38 that will change:

39 (A) The amount or kind of interests, securities, obligations, money or other property,
40 rights to acquire interests or securities or any combination of interests, securities, obli-
41 gations, money, property or rights that any of the members of the acquired limited liability
42 company will receive under the plan;

43 (B) The articles of organization or the operating agreement of the acquired limited li-
44 ability company that will become effective immediately after the interest exchange becomes
45 effective, except for changes that under the acquired limited liability company's operating

1 agreement or under sections 1 to 125 of this 2025 Act do not require the approval of the
2 members; or

3 (C) Any other terms or conditions of the plan if the change would adversely affect the
4 member in any material respect.

5 (3) After a plan of interest exchange is approved and before a statement of interest ex-
6 change becomes effective, the plan of interest exchange may be abandoned as provided in the
7 plan. An acquired limited liability company may abandon the plan in the same manner that
8 the company approved the plan, unless the plan provides otherwise.

9 (4) If an acquired limited liability company abandons a plan of interest exchange after a
10 statement of interest exchange was delivered to the Secretary of State for filing and before
11 the statement of interest exchange is effective, before the statement of interest exchange
12 becomes effective the acquired limited liability company shall deliver to the Secretary of
13 State for filing a statement of abandonment signed by the company. The statement of aban-
14 donment takes effect upon filing and the interest exchange does not become effective. The
15 statement of abandonment must:

16 (a) Identify the acquired limited liability company;

17 (b) State the date on which the Secretary of State filed the statement of interest ex-
18 change; and

19 (c) Declare that the acquired limited liability company has abandoned the plan of interest
20 exchange in accordance with this section.

21 **SECTION 107. Statement of Interest Exchange; Effective Date of Interest Exchange.** (1)
22 For an interest exchange to be effective, an acquired limited liability company must sign and
23 deliver to the Secretary of State for filing a plan of interest exchange and a statement of
24 interest exchange.

25 (2) A statement of interest exchange must:

26 (a) State the name of the acquired limited liability company;

27 (b) State the name, the jurisdiction of formation and the entity type of the acquiring
28 entity;

29 (c) Include a plan of interest exchange or, in lieu of a plan of interest exchange, a written
30 declaration that:

31 (A) Identifies an address for an office of the acquiring entity where the plan of interest
32 exchange is on file; and

33 (B) States that the acquiring entity will provide an owner, member or shareholder of the
34 acquired limited liability company with a copy of the plan of interest exchange without
35 charge upon request;

36 (d) Declare in writing that the acquired limited liability company approved the plan of
37 interest exchange in accordance with sections 103 to 108 of this 2025 Act; and

38 (e) Include any amendment to the acquired limited liability's articles of organization that
39 the acquired limited liability company approved as part of the plan of interest exchange.

40 (3) In addition to the elements required for a statement of interest exchange under sub-
41 section (2) of this section, a statement of interest exchange may include any other provision
42 that is not prohibited by law.

43 (4) Instead of a statement of interest exchange, an acquired limited liability company
44 may deliver to the Secretary of State for filing a plan of interest exchange that the acquired
45 limited liability company has signed and that complies with subsection (2) of this section. A

1 plan of interest exchange that the Secretary of State files under this subsection has the
2 same effect as a statement of interest exchange. If the Secretary of State files a plan of in-
3 terest exchange under this subsection, references in sections 103 to 108 of this 2025 Act to
4 a statement of interest exchange refer instead to the plan of interest exchange.

5 (5) An interest exchange becomes effective when the statement of interest exchange is
6 effective.

7 **SECTION 108. Effect of Interest Exchange.** (1) When an interest exchange in which the
8 acquired entity is a limited liability company becomes effective:

9 (a) The interests in the acquired limited liability company that are the subject of the in-
10 terest exchange are converted and the interest holders of the converted interests have only
11 the rights that the plan of interest exchange specifies plus any appraisal rights available
12 under section 95 of this 2025 Act;

13 (b) The acquiring entity becomes the interest holder of the interests of the acquired
14 limited liability company that the acquiring entity acquires in accordance with the plan of
15 interest exchange;

16 (c) The acquired limited liability company's articles of organization are amended as pro-
17 vided in the plan of interest exchange;

18 (d) The provisions of the acquired limited liability company's operating agreement that
19 are or will be in a record are amended as provided in the plan of interest exchange;

20 (e) A person has interest holder liability with respect to an domestic entity only to the
21 extent that the domestic entity's organic law specifies, and only for debts, obligations and
22 other liabilities incurred after the interest exchange becomes effective, if the person did not
23 have interest holder liability with respect to the acquired limited liability company and be-
24 came subject to interest holder liability with respect to the domestic entity only as a result
25 of the interest exchange;

26 (f) For a person that no longer holds an interest in an acquired limited liability company
27 in which the person previously had interest holder liability:

28 (A) The interest exchange does not discharge any interest holder liability under sections
29 1 to 125 of this 2025 Act that the person incurred before the interest exchange became ef-
30 fective;

31 (B) The person does not have interest holder liability under sections 1 to 125 of this 2025
32 Act for any debt, obligation or other liability that the domestic entity incurs after the in-
33 terest exchange is effective, except that for a period of one year after the effective date of
34 the interest exchange the person has personal liability for liabilities the domestic entity in-
35 curs if:

36 (i) Before the interest exchange the person was a partner in a partnership or a general
37 partner in a limited liability partnership and was personally liable for the debts of the part-
38 nership or limited liability partnership;

39 (ii) After the interest exchange the person would ordinarily be protected from personal
40 liability; and

41 (iii) Another party to the transaction that created the liability reasonably believes that
42 the person has personal liability for any debt, obligation or other liability the domestic entity
43 incurred and did not receive notice of the interest exchange;

44 (C) Sections 1 to 125 of this 2025 Act apply, as if the interest exchange did not occur, to
45 a release, collection or discharge of any of the person's interest holder liability that remains

1 under subparagraph (A) of this paragraph; and

2 (D) With respect to any of the person's interest holder liability that remains under sub-
3 paragraph (A) of this paragraph, the person has the rights of contribution from any other
4 person that are available, as if the interest exchange did not occur, under the acquired lim-
5 ited liability company's operating agreement, under sections 1 to 125 of this 2025 Act or un-
6 der law other than sections 1 to 125 of this 2025 Act.

7 (2) Except as otherwise provided in an acquired limited liability company's operating
8 agreement, an interest exchange does not provide rights to a member, manager or third
9 party that the member, manager or third party would have upon a dissolution, liquidation
10 or winding up of the acquired limited liability company.

11 **SECTION 109. Conversion Authorized.** (1) By complying with sections 109 to 114 of this
12 2025 Act, a limited liability company may become:

13 (a) A different type of domestic entity; or

14 (b) A different type of foreign entity, if the laws of the foreign entity's jurisdiction of
15 formation authorize the conversion.

16 (2) By complying with the provisions of sections 109 to 114 of this 2025 Act that apply to
17 foreign entities, a foreign entity that is not a foreign limited liability company may become
18 a limited liability company if the laws of the foreign entity's jurisdiction of formation au-
19 thorize the conversion.

20 **SECTION 110. Plan of Conversion.** (1) A limited liability company may convert to a dif-
21 ferent entity type under sections 109 to 114 of this 2025 Act by approving a plan of conver-
22 sion. The plan must be a record and must:

23 (a) State the converting limited liability company's name;

24 (b) State the name, jurisdiction of formation and entity type of the converted entity;

25 (c) Describe how the interests in the converting limited liability company will be con-
26 verted into interests, securities, obligations, money or other property, rights to acquire in-
27 terests or securities or any combination of interests, securities, obligations, money, property
28 or rights;

29 (d) Include the proposed public organic record of the converted entity if the converted
30 entity is a filing entity;

31 (e) Include the full text of the converting entity's private organic rules that are or are
32 proposed to be in a record;

33 (f) Include any other terms and conditions of the conversion; and

34 (g) Include any other provision required under the laws of this state or the converting
35 entity's operating agreement.

36 (2) A plan of conversion may include, in addition to the elements required under sub-
37 section (1) of this section, any other provision not otherwise prohibited by law.

38 **SECTION 111. Approval of Conversion.** (1) A plan of conversion is not effective unless:

39 (a) The converting limited liability company, and all of the members of the converting
40 limited liability company that may vote on or consent to any matter, have approved the plan;
41 and

42 (b) Each member of the converted limited liability company that will have interest holder
43 liability for debts, obligations and other liabilities that are incurred after the conversion be-
44 comes effective approves the plan in a record, unless:

45 (A) The operating agreement of the converting limited liability company provides in a

1 record for approving a plan of conversion in which the affirmative vote or consent of fewer
2 than all of the members of the converting limited liability company can subject all members
3 of the converting limited liability company to interest holder liability; and

4 (B) The member voted for or consented in a record to the provision described in sub-
5 paragraph (A) of this paragraph or became a member after the provision was adopted.

6 (2) A plan of conversion that involves a converting domestic entity that is not a limited
7 liability company is not effective unless the converting domestic entity approves the plan of
8 conversion in accordance with the converting domestic entity's organic law.

9 (3) A plan of conversion that involves a converting foreign entity is not effective unless
10 the entity approves the plan in accordance with the law of the entity's jurisdiction of for-
11 mation.

12 **SECTION 112. Amendment or Abandonment of Plan of Conversion.** (1) A converting
13 limited liability company's plan of conversion may be amended:

14 (a) In the same manner as the plan was approved, if the plan does not specify a manner
15 of amendment; or

16 (b) By the converting limited liability company's members or managers in the manner
17 the plan of conversion specifies, but a member that may vote on or consent to approving the
18 plan may vote on or consent to any amendment that will change:

19 (A) The amount or kind of interests, securities, obligations, money or other property,
20 rights to acquire interests or securities or any combination of interests, securities, obli-
21 gations, money, property or rights that any of the members of the converting limited liability
22 company will receive under the plan of conversion;

23 (B) The public organic record, if any, or private organic rules of the converted entity that
24 will become effective immediately after the conversion becomes effective, except for changes
25 that under the converted entity's organic law or organic rule do not require the approval of
26 the interest holders of the converted entity; or

27 (C) Any other terms or conditions of the plan of conversion if the change would adversely
28 affect the member in any material respect.

29 (2) After a converting limited liability company has approved a plan of conversion and
30 before a statement of conversion becomes effective, the converting limited liability company
31 may abandon the plan as provided in the plan. A converting limited liability company may
32 abandon the plan in the same manner that the company approved the plan, unless the plan
33 provides otherwise.

34 (3) If a converting limited liability company abandons a plan of conversion after deliver-
35 ing a statement of conversion to the Secretary of State for filing and before the statement
36 of conversion is effective, before the statement of conversion becomes effective the con-
37 verting limited liability company shall deliver to the Secretary of State for filing a statement
38 of abandonment signed by the converting limited liability company. The statement of aban-
39 donment takes effect upon filing and the conversion does not become effective. The state-
40 ment of abandonment must:

41 (a) Identify the converting limited liability company;

42 (b) State the date on which the Secretary of State filed the statement of conversion; and

43 (c) Declare that the converting limited liability company has abandoned the plan of con-
44 version in accordance with this section.

45 **SECTION 113. Statement of Conversion; Effective Date of Conversion.** (1) For a conver-

1 sion to be effective, a converting limited liability company must sign and deliver to the Sec-
2 retary of State for filing a plan of conversion and a statement of conversion.

3 (2) A statement of conversion must:

4 (a) State the name, the jurisdiction of formation and the entity type of the converting
5 entity;

6 (b) State the name, the jurisdiction of formation and the entity type of the converted
7 entity;

8 (c) Declare in writing that the converting limited liability company approved the plan of
9 conversion in accordance with sections 109 to 114 of this 2025 Act or, if the converting entity
10 is a foreign entity, that the foreign entity approved the plan of conversion in accordance with
11 the law of the foreign entity's jurisdiction of formation;

12 (d) Include the converted entity's public organic record, if the converted entity is a filing
13 entity;

14 (e) Include an application for registration under ORS 67.603, if the converted entity is a
15 domestic limited liability partnership; and

16 (f) Include a plan of conversion or, in lieu of a plan of conversion, a written declaration
17 that:

18 (A) Identifies an address for an office of the converted entity where the plan of conver-
19 sion is on file; and

20 (B) States that the converted entity will provide an owner, member or shareholder of the
21 converting entity with a copy of the plan of conversion without charge upon request.

22 (3) In addition to the elements required for a statement of conversion under subsection
23 (2) of this section, a statement of conversion may include any other provision that is not
24 prohibited by law.

25 (4) If the converted entity is a domestic entity, the public organic record of the domestic
26 entity must comply with the requirements of the laws of this state, except that the public
27 organic record does not need to be signed.

28 (5) Instead of a statement of conversion, a converting limited liability company may de-
29 liver to the Secretary of State for filing a plan of conversion that the converting limited li-
30 ability company signed and that complies with subsection (2) of this section. A plan of
31 conversion that the Secretary of State files under this subsection has the same effect as a
32 statement of conversion. If the Secretary of State files a plan of conversion under this sub-
33 section, references in sections 109 to 114 of this 2025 Act to a statement of conversion refer
34 instead to the plan of conversion.

35 (6) If the converted entity is a limited liability company, a conversion becomes effective
36 when the statement of conversion is effective. Otherwise, a conversion becomes effective on
37 the later of:

38 (a) The date on which the statement of conversion is effective; or

39 (b) The date that the organic law of the converted entity specifies.

40 **SECTION 114. Effect of Conversion.** (1) When a conversion becomes effective:

41 (a) The converted entity is the same entity as the converting entity without interruption
42 and is organized under and subject to the converted entity's organic law;

43 (b) All property of the converting entity remains vested in the converted entity without
44 transfer, reversion or impairment;

45 (c) The converted entity remains subject to the converting entity's debts, obligations and

1 **other liabilities;**

2 (d) **The converting entity's rights, privileges, immunities, powers and purposes remain**
3 **vested in the converted entity, except as otherwise provided in the plan of conversion or by**
4 **law;**

5 (e) **The name of the converted entity may be substituted for the name of the converting**
6 **entity in any pending action or proceeding;**

7 (f) **The converted entity's articles of organization become effective;**

8 (g) **The provisions of the converted entity's operating agreement, if any, that are or will**
9 **be in a record and that were approved as part of the plan of conversion become effective;**

10 (h) **An application for registration under ORS 67.603 becomes effective, if the converted**
11 **entity is a limited liability partnership;**

12 (i) **The interests in the converting entity are converted and the interest holders of the**
13 **converted interests have only the rights that the plan of conversion specifies plus any ap-**
14 **praisal rights available under section 95 of this 2025 Act;**

15 (j) **A person has interest holder liability with respect to a domestic entity only to the**
16 **extent that the domestic entity's organic law specifies, and only for debts, obligations and**
17 **other liabilities incurred after the conversion becomes effective, if the person did not have**
18 **interest holder liability with respect to the converting entity and became subject to interest**
19 **holder liability with respect to the domestic entity only as a result of the conversion;**

20 (k) **For a person that no longer holds an interest in a converting limited liability company**
21 **in which the person previously had interest holder liability:**

22 (A) **The conversion does not discharge any interest holder liability under sections 1 to**
23 **125 of this 2025 Act that the person incurred before the conversion became effective;**

24 (B) **The person does not have interest holder liability under sections 1 to 125 of this 2025**
25 **Act for any debt, obligation or other liability that arises after the conversion is effective,**
26 **except that for a period of one year after the effective date of the conversion the person has**
27 **personal liability for liabilities the domestic entity incurs if:**

28 (i) **Before the conversion the person was a partner in a partnership or a general partner**
29 **in a limited liability partnership and was personally liable for the debts of the partnership**
30 **or limited liability partnership;**

31 (ii) **After the conversion the person would ordinarily be protected from personal liability;**
32 **and**

33 (iii) **Another party to the transaction that created the liability reasonably believes that**
34 **the person has personal liability for any debt, obligation or other liability the domestic entity**
35 **incurred and did not receive notice of the conversion;**

36 (C) **Sections 1 to 125 of this 2025 Act apply, as if the conversion did not occur, to a re-**
37 **lease, collection or discharge of any of the person's interest holder liability that remains**
38 **under subparagraph (A) of this paragraph; and**

39 (D) **With respect to any of the person's interest holder liability that remains under sub-**
40 **paragraph (A) of this paragraph, the person has the rights of contribution from any other**
41 **person that are available, as if the conversion did not occur, under the converted entity's**
42 **organic rules, under sections 1 to 125 of this 2025 Act or under law other than sections 1 to**
43 **125 of this 2025 Act;**

44 (L) **The converting entity's registration of an assumed business name under ORS chapter**
45 **648 continues as the assumed business name of the converted entity unless the converted**

1 entity is a partnership, in which case the converting entity shall amend or cancel the con-
2 verting entity's assumed business name registration under ORS chapter 648 and the partners
3 of the converted partnership shall register the converted partnership's name as an assumed
4 business name under ORS chapter 648;

5 (m) A converted entity that is a foreign entity may be served with process in this state
6 to collect and enforce any of the converted entity's debts, obligations and other liabilities as
7 provided in section 20 of this 2025 Act; and

8 (n) The converting entity's registration to do business in this state is canceled when the
9 conversion becomes effective, if the converting entity is a registered foreign entity.

10 (2) A conversion does not require a converting entity to wind up the converting entity's
11 activities and affairs and does not cause a dissolution of the converting entity.

12 (3) Except as otherwise provided in a converting limited liability company's operating
13 agreement, a conversion does not provide rights to a member, manager or third party that
14 the member, manager or third party would have upon a dissolution, liquidation or winding
15 up of the converting entity.

16 **SECTION 115. Domestication Authorized.** (1) By complying with sections 115 to 120 of this
17 2025 Act, a limited liability company may become a foreign limited liability company if the
18 laws of the foreign jurisdiction authorize the domestication.

19 (2) By complying with the provisions of sections 115 to 120 of this 2025 Act that apply to
20 foreign entities, a foreign limited liability company may become a limited liability company
21 if the laws of the foreign limited liability company's jurisdiction of formation authorize the
22 domestication.

23 (3) If a protected agreement includes a provision that applies to a merger of a limited
24 liability company but does not refer to a domestication, the provision applies to a
25 domestication of the limited liability company as if the domestication were a merger until
26 the provision is amended after the effective date of this 2025 Act.

27 **SECTION 116. Plan of Domestication.** (1) A limited liability company may become a for-
28 eign limited liability company under sections 115 to 120 of this 2025 Act by approving a plan
29 of domestication. The plan must be a record and must:

30 (a) State the domesticating limited liability company's name;

31 (b) State the domesticated limited liability company's name and jurisdiction of formation;

32 (c) Describe how the interests in the domesticating limited liability company will be
33 converted into interests, securities, obligations, money or other property, rights to acquire
34 interests or securities or any combination of interests, securities, obligations, money, prop-
35 erty or rights;

36 (d) Include the proposed articles of organization for the domesticated limited liability
37 company;

38 (e) Include the full text of the provisions of the domesticated limited liability company's
39 operating agreement that are or are proposed to be in a record;

40 (f) Include any other terms and conditions of the domestication; and

41 (g) Include any other provision required under the laws of this state or the domesticated
42 limited liability company's operating agreement.

43 (2) A plan of domestication may include, in addition to the elements required under sub-
44 section (1) of this section, any other provision not otherwise prohibited by law.

45 **SECTION 117. Approval of Domestication.** (1) A plan of domestication is not effective

1 unless:

2 (a) All of the members of the domesticating limited liability company that may vote on
3 or consent to any matter have approved the plan; and

4 (b) Each member of the domesticating limited liability company that will have interest
5 holder liability for debts, obligations and other liabilities that are incurred after the
6 domestication becomes effective approves the plan in a record, unless:

7 (A) The operating agreement of the domesticating limited liability company provides in
8 a record for approving a plan of domestication in which the affirmative vote or consent of
9 fewer than all of the members of the domesticating limited liability company can subject all
10 members of the domesticating limited liability company to interest holder liability; and

11 (B) The member voted for or consented in a record to the provision described in sub-
12 paragraph (A) of this paragraph or became a member after the provision was adopted.

13 (2) A plan of domestication for a domesticating foreign limited liability company is not
14 effective unless the company approves the plan in accordance with the laws of the company's
15 jurisdiction of formation.

16 **SECTION 118. Amendment or Abandonment of Plan of Domestication.** (1) A
17 domesticating limited liability company's plan of domestication may be amended:

18 (a) In the same manner as the plan was approved, if the plan does not specify a manner
19 of amendment; or

20 (b) By the members or managers in the manner the plan specifies, but a member that
21 may vote on or consent to approving the plan may vote on or consent to any amendment
22 that will change:

23 (A) The amount or kind of interests, securities, obligations, money or other property,
24 rights to acquire interests or securities or any combination of interests, securities, obli-
25 gations, money, property or rights that any of the members will receive under the plan;

26 (B) The articles of organization or operating agreement of the domesticated limited li-
27 ability company that will become effective immediately after the domestication becomes ef-
28 fective, except for changes that under the company's organic law or operating agreement do
29 not require the approval of the members; or

30 (C) Any other terms or conditions of the plan if the change would adversely affect the
31 member in any material respect.

32 (2) After a domesticating limited liability company has approved a plan of domestication
33 and before a statement of domestication becomes effective, the domesticating limited liability
34 company may abandon the plan as provided in the plan. A domesticating limited liability
35 company may abandon the plan in the same manner that the company approved the plan,
36 unless the plan provides otherwise.

37 (3) If a domesticating limited liability company abandons a plan of domestication after
38 delivering a statement of domestication to the Secretary of State for filing and before the
39 statement of domestication is effective, before the statement of domestication becomes ef-
40 fective the domesticating limited liability company shall deliver to the Secretary of State for
41 filing a statement of abandonment signed by the company. The statement of abandonment
42 takes effect upon filing and the domestication does not become effective. The statement of
43 abandonment must:

44 (a) Identify the domesticating limited liability company;

45 (b) State the date on which the Secretary of State filed the statement of domestication;

1 and

2 (c) Declare that the domesticating limited liability company has abandoned the plan of
3 domestication in accordance with this section.

4 **SECTION 119. Statement of Domestication; Effective Date of Domestication.** (1) For a
5 domestication to be effective, a domesticating limited liability company must sign and deliver
6 to the Secretary of State for filing a plan of domestication and a statement of domestication.

7 (2) A statement of domestication must:

8 (a) State the name and the jurisdiction of formation of the domesticating limited liability
9 company;

10 (b) State the name and the jurisdiction of formation of the domesticated limited liability
11 company;

12 (c) Declare in writing that the domesticating limited liability company approved the plan
13 of domestication in accordance with sections 115 to 120 of this 2025 Act or, if the
14 domesticating limited liability company is a foreign limited liability company, that the foreign
15 limited liability company approved the plan of domestication in accordance with the laws of
16 the foreign limited liability company's jurisdiction of formation;

17 (d) Include the domesticated limited liability company's articles of organization; and

18 (e) Include a plan of domestication or, in lieu of a plan of domestication, a written dec-
19 laration that:

20 (A) Identifies an address for an office of the domesticated limited liability company where
21 the plan of domestication is on file; and

22 (B) States that the domesticated limited liability company will provide an owner, member
23 or shareholder of the domesticating limited liability company with a copy of the plan of
24 domestication without charge upon request.

25 (3) In addition to the elements required for a statement of domestication under sub-
26 section (2) of this section, a statement of domestication may include any other provision that
27 is not prohibited by law.

28 (4) If the domesticated entity is a limited liability company, the articles of organization
29 of the domesticated entity must comply with the requirements of the laws of this state, ex-
30 cept that the articles of organization do not need to be signed.

31 (5) Instead of a statement of domestication, a domesticating limited liability company
32 may deliver to the Secretary of State for filing a plan of domestication that the company
33 signed and that complies with subsection (2) of this section. A plan of domestication that the
34 Secretary of State files under this subsection has the same effect as a statement of
35 domestication. If the Secretary of State files a plan of domestication under this subsection,
36 references in sections 115 to 120 of this 2025 Act to a statement of domestication refer in-
37 stead to the plan of domestication.

38 (6) If the domesticated entity is a limited liability company, a domestication becomes ef-
39 fective when the statement of domestication is effective. Otherwise, a domestication becomes
40 effective on the later of:

41 (a) The date on which the statement of domestication is effective; or

42 (b) The date that the organic law of the domesticated entity specifies.

43 **SECTION 120. Effect of Domestication.** (1) When a domestication becomes effective:

44 (a) The domesticated entity is the same entity as the domesticating entity without in-
45 terruption and is organized under and subject to the domesticated entity's organic law;

1 **(b) All property of the domesticating entity remains vested in the domesticated entity**
2 **without transfer, reversion or impairment;**

3 **(c) The domesticated entity remains subject to the domesticating entity's debts, obli-**
4 **gations and other liabilities;**

5 **(d) The domesticating entity's rights, privileges, immunities, powers and purposes remain**
6 **vested in the domesticated entity, except as otherwise provided in the plan of domestication**
7 **or by law;**

8 **(e) The name of the domesticated entity may be substituted for the name of the**
9 **domesticating entity in any pending action or proceeding;**

10 **(f) The domesticated entity's articles of organization become effective;**

11 **(g) The provisions of the domesticated entity's operating agreement, if any, that are or**
12 **will be in a record and that were approved as part of the plan of domestication become ef-**
13 **fective;**

14 **(h) The interests in the domesticating entity are converted as provided for and approved**
15 **in connection with the domestication and the members of the domesticating entity have only**
16 **the rights that the plan of domestication specifies plus any appraisal rights available under**
17 **section 95 of this 2025 Act;**

18 **(i) A person has interest holder liability with respect to a domestic entity only to the**
19 **extent provided under sections 1 to 125 of this 2025 Act, and only for debts, obligations and**
20 **other liabilities incurred after the domestication becomes effective, if the person did not have**
21 **interest holder liability with respect to the domesticating entity and became subject to in-**
22 **terest holder liability with respect to the domestic entity only as a result of the**
23 **domestication;**

24 **(j) For a person that no longer holds an interest in a domesticating limited liability**
25 **company in which the person previously had interest holder liability:**

26 **(A) The domestication does not discharge any interest holder liability under sections 1**
27 **to 125 of this 2025 Act that the person incurred before the domestication became effective;**

28 **(B) The person does not have interest holder liability under sections 1 to 125 of this 2025**
29 **Act for any debt, obligation or other liability that arises after the domestication is effective;**

30 **(C) Sections 1 to 125 of this 2025 Act apply, as if the domestication did not occur, to a**
31 **release, collection or discharge of any of the person's interest holder liability that remains**
32 **under subparagraph (A) of this paragraph; and**

33 **(D) With respect to any of the person's interest holder liability that remains under sub-**
34 **paragraph (A) of this paragraph, the person has the rights of contribution from any other**
35 **person that are available, as if the domestication did not occur, under the domesticating**
36 **limited liability company's operating agreement, under sections 1 to 125 of this 2025 Act or**
37 **under law other than sections 1 to 125 of this 2025 Act;**

38 **(k) The domesticating entity's registration of an assumed business name under ORS**
39 **chapter 648 continues as the assumed business name of the domesticated entity;**

40 **(L) A domesticated entity that is a foreign limited liability company may be served with**
41 **process in this state to collect and enforce any of the foreign limited liability company's**
42 **debts, obligations and other liabilities as provided in section 20 of this 2025 Act; and**

43 **(m) The domesticating limited liability company's registration to do business in this state**
44 **is canceled when the domestication becomes effective, if the domesticating entity is a regis-**
45 **tered foreign limited liability company.**

1 (2) Except as otherwise provided in a domesticating limited liability company’s organic
 2 law or operating agreement, a domestication does not provide rights to a member, manager
 3 or third party that the member, manager or third party would have upon a dissolution, liq-
 4 uidation or winding up of the domesticating limited liability company.

5 (3) A domestication does not require a domesticating limited liability company to wind
 6 up the domesticating limited liability company’s activities and affairs and does not cause a
 7 dissolution of the domesticating limited liability company.

8 **SECTION 121. Uniformity of Application and Construction.** Sections 1 to 125 of this 2025
 9 Act must be applied and construed to effectuate the general purpose to make uniform the
 10 law with respect to the subject of sections 1 to 125 of this 2025 Act among states that enact
 11 the law.

12 **SECTION 122. Relation to Electronic Signatures in Global and National Commerce Act.**
 13 (1) Sections 1 to 125 of this 2025 Act modify, limit and supersede the Electronic Signatures
 14 in Global and National Commerce Act, 15 U.S.C. 7001 et seq., other than section 7001(c) of
 15 that Act, but do not authorize electronic delivery of any of the notices described in 15 U.S.C.
 16 7003(b).

17 (2) A record described in sections 1 to 125 of this 2025 Act is subject to the provisions
 18 of ORS 84.001 to 84.061 if the record may or must be an electronic record, as defined in ORS
 19 84.004.

20 **SECTION 123. Penalty for signing false document.** (1) A person commits the crime of
 21 signing a false document for filing if the person:

22 (a) Knows the document is false in any material respect; and

23 (b) Signs the document with an intent that the document be delivered to the office of the
 24 Secretary of State for filing under sections 1 to 125 of this 2025 Act.

25 (2) Signing a false document for filing is a Class A misdemeanor.

26 **NOTE:** Section 124 was deleted. Subsequent sections were not renumbered.

27
 28 **MISCELLANEOUS**
 29

30 **SECTION 124a. Existing Entities; Effect of Designation of Management Structure.** In the
 31 case of a limited liability company that was formed or organized before the effective date of
 32 this 2025 Act, language in the limited liability company’s articles of organization that desig-
 33 nates the limited liability company’s management structure operates as if the language were
 34 in the limited liability company’s operating agreement with respect to:

35 (1) Designating a limited liability company as a manager-managed limited liability com-
 36 pany; and

37 (2) Determining the effect under section 8 (4) of this 2025 Act of a record delivered to the
 38 Secretary of State for filing that conflicts with a provision of the limited liability company’s
 39 operating agreement.

40 **SECTION 124b. Reservation of Power to Amend or Repeal.** (1) The Legislative Assembly
 41 may amend or repeal all or part of sections 1 to 125 of this 2025 Act at any time and all do-
 42 mestic and entities that are subject to sections 1 to 125 of this 2025 Act are governed by the
 43 amendment or repeal.

44 (2) The amendment or repeal of a statute in sections 1 to 125 of this 2025 Act does not
 45 affect:

1 (a) The operation of the statute or any action taken under the statute before the
2 statute's amendment or repeal.

3 (b) Any ratification, right, remedy, privilege, obligation or liability acquired, accrued or
4 incurred under the statute before the statute's amendment or repeal.

5 (c) Any violation of the statute, or any penalty, forfeiture or punishment incurred be-
6 cause of the violation, before the statute's amendment or repeal.

7 (d) Any proceeding, reorganization or dissolution that began under the statute before the
8 statute's amendment or repeal. The proceeding, reorganization or dissolution may be com-
9 pleted in accordance with the statute as if the statute were not amended or repealed.

10 **SECTION 125. Effect of Subsequent Amendments and Repeals.** An amendment or repeal
11 of a section of sections 1 to 125 of this 2025 Act does not affect:

12 (1) The operation of the statute or any action a person took before the amendment or
13 repeal;

14 (2) Any ratification, right, remedy, privilege, obligation or liability a person acquired,
15 accrued or incurred under the statute before the amendment or repeal;

16 (3) Any violation of the statute or any penalty, forfeiture or punishment for the violation
17 that a person incurred or received before the amendment or repeal; or

18 (4) Any proceeding, reorganization or dissolution that occurred under the statute before
19 the amendment or repeal. A proceeding, reorganization or dissolution that occurred before
20 the amendment or repeal may continue under the statute as in effect before the amendment
21 or repeal.

22 **SECTION 126. Application of Act.** Sections 1 to 125 of this 2025 Act:

23 (1) Apply only to an entity that is formed or organized after the effective date of this 2025
24 Act, unless the entity elects to be subject to sections 1 to 125 of this 2025 Act in a manner
25 specified in the entity's operating agreement or private organic rules, as defined in section
26 90 of this 2025 Act, or under a law that governs an amendment of the operating agreement
27 or private organic rules;

28 (2) Apply to an entity that merges with another entity, engages in an interest exchange
29 with another entity, converts to a different form of entity or undergoes a domestication on
30 or after the effective date of this 2025 Act;

31 (3) Apply to contracts into which a person enters on and after the effective date of this
32 2025 Act; and

33 (4) Do not affect an action or proceeding that began or a right that accrued before the
34 effective date of this 2025 Act.

35 **SECTION 127.** Section 126 of this 2025 Act is amended to read:

36 **Sec. 126.** Sections 1 to 125 of this 2025 Act:

37 (1) Apply [*only to an entity that is formed or organized after the effective date of this 2025 Act,*
38 *unless the entity elects to be subject to sections 1 to 125 of this 2025 Act in a manner specified in the*
39 *entity's operating agreement or private organic rules, as defined in section 90 of this 2025 Act, or under*
40 *a law that governs an amendment of the operating agreement or private organic rules*] **to all limited**
41 **liability companies regardless of the date of the limited liability company's formation or or-**
42 **ganization;**

43 (2) Apply to an entity that merges with another entity, engages in an interest exchange with
44 another entity, converts to a different form of entity or undergoes a domestication on or after the
45 effective date of this 2025 Act;

1 (3) Apply to contracts into which a person enters on and after the effective date of this 2025
 2 Act; and

3 (4) Do not affect an action or proceeding that began or a right that accrued before the effective
 4 date of this 2025 Act.

5 **SECTION 128. The amendments to section 126 of this 2025 Act by section 127 of this 2025**
 6 **Act become operative on January 1, 2028.**

7
 8 **CONFORMING AMENDMENTS**

9
 10 **SECTION 129.** ORCP 7 D is amended to read:

11 **D Manner of service.**

12 D(1) **Notice required.** Summons shall be served, either within or without this state, in any
 13 manner reasonably calculated, under all the circumstances, to apprise the defendant of the existence
 14 and pendency of the action and to afford a reasonable opportunity to appear and defend. Summons
 15 may be served in a manner specified in this rule or by any other rule or statute on the defendant
 16 or on an agent authorized by appointment or law to accept service of summons for the defendant.
 17 Service may be made, subject to the restrictions and requirements of this rule, by the following
 18 methods: personal service of true copies of the summons and the complaint on defendant or an agent
 19 of defendant authorized to receive process; substituted service by leaving true copies of the sum-
 20 mons and the complaint at a person’s dwelling house or usual place of abode; office service by
 21 leaving true copies of the summons and the complaint with a person who is apparently in charge
 22 of an office; service by mail; or service by publication.

23 **D(2) Service methods.**

24 D(2)(a) **Personal service.** Personal service may be made by delivery of a true copy of the sum-
 25 mons and a true copy of the complaint to the person to be served.

26 D(2)(b) **Substituted service.** Substituted service may be made by delivering true copies of the
 27 summons and the complaint at the dwelling house or usual place of abode of the person to be served
 28 to any person 14 years of age or older residing in the dwelling house or usual place of abode of the
 29 person to be served. Where substituted service is used, the plaintiff, as soon as reasonably possible,
 30 shall cause to be mailed by first class mail true copies of the summons and the complaint to the
 31 defendant at defendant’s dwelling house or usual place of abode, together with a statement of the
 32 date, time, and place at which substituted service was made. For the purpose of computing any pe-
 33 riod of time prescribed or allowed by these rules or by statute, substituted service shall be complete
 34 on the mailing.

35 D(2)(c) **Office service.** If the person to be served maintains an office for the conduct of business,
 36 office service may be made by leaving true copies of the summons and the complaint at that office
 37 during normal working hours with the person who is apparently in charge. Where office service is
 38 used, the plaintiff, as soon as reasonably possible, shall cause to be mailed by first class mail true
 39 copies of the summons and the complaint to the defendant at defendant’s dwelling house or usual
 40 place of abode or defendant’s place of business or any other place under the circumstances that is
 41 most reasonably calculated to apprise the defendant of the existence and pendency of the action,
 42 together with a statement of the date, time, and place at which office service was made. For the
 43 purpose of computing any period of time prescribed or allowed by these rules or by statute, office
 44 service shall be complete on the mailing.

45 **D(2)(d) Service by mail.**

1 D(2)(d)(i) Generally. When service by mail is required or allowed by this rule or by statute, ex-
2 cept as otherwise permitted, service by mail shall be made by mailing true copies of the summons
3 and the complaint to the defendant by first class mail and by any of the following: certified, regis-
4 tered, or express mail with return receipt requested. For purposes of this paragraph, “first class
5 mail” does not include certified, registered, or express mail, return receipt requested, or any other
6 form of mail that may delay or hinder actual delivery of mail to the addressee.

7 D(2)(d)(ii) Calculation of time. For the purpose of computing any period of time provided by
8 these rules or by statute, service by mail, except as otherwise provided, shall be complete on the
9 day the defendant, or other person authorized by appointment or law, signs a receipt for the mailing,
10 or 3 days after the mailing if mailed to an address within the state, or 7 days after the mailing if
11 mailed to an address outside the state, whichever first occurs.

12 D(3) Particular defendants. Service may be made on specified defendants as follows:

13 D(3)(a) Individuals.

14 D(3)(a)(i) Generally. On an individual defendant, by personal delivery of true copies of the sum-
15 mons and the complaint to the defendant or other person authorized by appointment or law to re-
16 ceive service of summons on behalf of the defendant, by substituted service, or by office service.
17 Service may also be made on an individual defendant or other person authorized to receive service
18 to whom neither subparagraph D(3)(a)(ii) nor D(3)(a)(iii) of this rule applies by a mailing made in
19 accordance with paragraph D(2)(d) of this rule provided the defendant or other person authorized
20 to receive service signs a receipt for the certified, registered, or express mailing, in which case
21 service shall be complete on the date on which the defendant signs a receipt for the mailing.

22 D(3)(a)(ii) Minors. On a minor under 14 years of age, by service in the manner specified in sub-
23 paragraph D(3)(a)(i) of this rule on the minor; and additionally on the minor’s father, mother,
24 conservator of the minor’s estate, or guardian, or, if there be none, then on any person having the
25 care or control of the minor, or with whom the minor resides, or in whose service the minor is
26 employed, or on a guardian ad litem appointed pursuant to Rule 27 B.

27 D(3)(a)(iii) Incapacitated persons. On a person who is incapacitated or is financially incapable,
28 as both terms are defined by ORS 125.005, by service in the manner specified in subparagraph
29 D(3)(a)(i) of this rule on the person and, also, on the conservator of the person’s estate or guardian
30 or, if there be none, on a guardian ad litem appointed pursuant to Rule 27 B.

31 D(3)(a)(iv) Tenant of a mail agent. On an individual defendant who is a “tenant” of a “mail
32 agent” within the meaning of ORS 646A.340, by delivering true copies of the summons and the
33 complaint to any person apparently in charge of the place where the mail agent receives mail for
34 the tenant, provided that:

35 D(3)(a)(iv)(A) the plaintiff makes a diligent inquiry but cannot find the defendant; and

36 D(3)(a)(iv)(B) the plaintiff, as soon as reasonably possible after delivery, causes true copies of
37 the summons and the complaint to be mailed by first class mail to the defendant at the address at
38 which the mail agent receives mail for the defendant and to any other mailing address of the de-
39 fendant then known to the plaintiff, together with a statement of the date, time, and place at which
40 the plaintiff delivered the copies of the summons and the complaint. Service shall be complete on
41 the latest date resulting from the application of subparagraph D(2)(d)(ii) of this rule to all mailings
42 required by this subparagraph unless the defendant signs a receipt for the mailing, in which case
43 service is complete on the day the defendant signs the receipt.

44 D(3)(b) Corporations including, but not limited to, professional corporations and cooperatives.
45 On a domestic or foreign corporation:

1 D(3)(b)(i) Primary service method. By personal service or office service on a registered agent,
2 officer, or director of the corporation; or by personal service on any clerk on duty in the office of
3 a registered agent.

4 D(3)(b)(ii) Alternatives. True copies of the summons and the complaint may be served:

5 D(3)(b)(ii)(A) by substituted service on the registered agent, officer, or director;

6 D(3)(b)(ii)(B) by personal service on any clerk or agent of the corporation;

7 D(3)(b)(ii)(C) by mailing in the manner specified in paragraph D(2)(d) of this rule true copies of
8 the summons and the complaint to: the office of the registered agent or to the last registered office
9 of the corporation, if any, as shown by the records on file in the office of the Secretary of State;
10 or, if the corporation is not authorized to transact business in this state at the time of the trans-
11 action, event, or occurrence on which the action is based occurred, to the principal office or place
12 of business of the corporation; and, in any case, to any address the use of which the plaintiff knows
13 or has reason to believe is most likely to result in actual notice; or

14 D(3)(b)(ii)(D) on the Secretary of State in the manner provided in ORS 60.121 or 60.731.

15 D(3)(c) Limited liability companies. On a limited liability company **or registered foreign lim-**
16 **ited liability company, as defined in section 2 of this 2025 Act:**

17 D(3)(c)(i) Primary service method. By personal service or office service on a registered agent,
18 manager, or (for a member-managed limited liability company) member of a limited liability company
19 **or registered foreign limited liability company;** or by personal service on any clerk on duty in
20 the office of a registered agent.

21 D(3)(c)(ii) Alternatives. True copies of the summons and the complaint may be served:

22 D(3)(c)(ii)(A) by substituted service on the registered agent, manager, or (for a member-managed
23 limited liability company) member of a limited liability company **or registered foreign limited li-**
24 **ability company;**

25 D(3)(c)(ii)(B) by personal service on any clerk or agent of the limited liability company **or reg-**
26 **istered foreign limited liability company;**

27 D(3)(c)(ii)(C) by mailing in the manner specified in paragraph D(2)(d) of this rule true copies of
28 the summons and the complaint to: the office of the registered agent or to the last registered office
29 of the limited liability company **or registered foreign limited liability company,** if any, as shown
30 by the records on file in the office of the Secretary of State; or, if the limited liability company **or**
31 **registered foreign limited liability company** is not authorized to transact business in this state
32 at the time of the transaction, event, or occurrence on which the action is based occurred, to the
33 principal office or place of business of the limited liability company **or registered foreign limited**
34 **liability company;** and, in any case, to any address the use of which the plaintiff knows or has
35 reason to believe is most likely to result in actual notice; or

36 D(3)(c)(ii)(D) on the Secretary of State in the manner provided in ORS 63.121 **or as provided**
37 **in section 20 of this 2025 Act.**

38 D(3)(d) Limited partnerships. On a domestic or foreign limited partnership:

39 D(3)(d)(i) Primary service method. By personal service or **registered foreign limited liability**
40 **company** office service on a registered agent or a general partner of a limited partnership; or by
41 personal service on any clerk on duty in the office of a registered agent.

42 D(3)(d)(ii) Alternatives. True copies of the summons and the complaint may be served:

43 D(3)(d)(ii)(A) by substituted service on the registered agent or general partner of a limited
44 partnership;

45 D(3)(d)(ii)(B) by mailing in the manner specified in paragraph D(2)(d) of this rule true copies of

1 the summons and the complaint to: the office of the registered agent or to the last registered office
 2 of the limited partnership, if any, as shown by the records on file in the office of the Secretary of
 3 State; or, if the limited partnership is not authorized to transact business in this state at the time
 4 of the transaction, event, or occurrence on which the action is based occurred, to the principal of-
 5 fice or place of business of the limited partnership; and, in any case, to any address the use of which
 6 the plaintiff knows or has reason to believe is most likely to result in actual notice; or

7 D(3)(d)(ii)(C) on the Secretary of State in the manner provided in ORS 70.040 or 70.045.

8 D(3)(e) General partnerships and limited liability partnerships. On any general partnership or
 9 limited liability partnership by personal service on a partner or any agent authorized by appoint-
 10 ment or law to receive service of summons for the partnership or limited liability partnership.

11 D(3)(f) Other unincorporated associations subject to suit under a common name. On any other
 12 unincorporated association subject to suit under a common name by personal service on an officer,
 13 managing agent, or agent authorized by appointment or law to receive service of summons for the
 14 unincorporated association.

15 D(3)(g) State. On the state, by personal service on the Attorney General or by leaving true
 16 copies of the summons and the complaint at the Attorney General's office with a deputy, assistant,
 17 or clerk.

18 D(3)(h) Public bodies. On any county; incorporated city; school district; or other public corpo-
 19 ration, commission, board, or agency by personal service or office service on an officer, director,
 20 managing agent, or attorney thereof.

21 D(3)(i) Vessel owners and charterers. On any foreign steamship owner or steamship charterer
 22 by personal service on a vessel master in the owner's or charterer's employment or any agent au-
 23 thorized by the owner or charterer to provide services to a vessel calling at a port in the State of
 24 Oregon, or a port in the State of Washington on that portion of the Columbia River forming a
 25 common boundary with Oregon.

26 D(4) Particular actions involving motor vehicles.

27 D(4)(a) Actions arising out of use of roads, highways, streets, or premises open to the public;
 28 service by mail.

29 D(4)(a)(i) In any action arising out of any accident, collision, or other event giving rise to li-
 30 ability in which a motor vehicle may be involved while being operated on the roads, highways,
 31 streets, or premises open to the public as defined by law of this state if the plaintiff makes at least
 32 one attempt to serve a defendant who operated such motor vehicle, or caused it to be operated on
 33 the defendant's behalf, by a method authorized by subsection D(3) of this rule except service by mail
 34 pursuant to subparagraph D(3)(a)(i) of this rule and, as shown by its return, did not effect service,
 35 the plaintiff may then serve that defendant by mailings made in accordance with paragraph D(2)(d)
 36 of this rule addressed to that defendant at:

37 D(4)(a)(i)(A) any residence address provided by that defendant at the scene of the accident;

38 D(4)(a)(i)(B) the current residence address, if any, of that defendant shown in the driver records
 39 of the Department of Transportation; and

40 D(4)(a)(i)(C) any other address of that defendant known to the plaintiff at the time of making the
 41 mailings required by parts D(4)(a)(i)(A) and D(4)(a)(i)(B) of this rule that reasonably might result in
 42 actual notice to that defendant. Sufficient service pursuant to this subparagraph may be shown if
 43 the proof of service includes a true copy of the envelope in which each of the certified, registered,
 44 or express mailings required by parts D(4)(a)(i)(A), D(4)(a)(i)(B), and D(4)(a)(i)(C) of this rule was
 45 made showing that it was returned to sender as undeliverable or that the defendant did not sign the

1 receipt. For the purpose of computing any period of time prescribed or allowed by these rules or
2 by statute, service under this subparagraph shall be complete on the latest date on which any of the
3 mailings required by parts D(4)(a)(i)(A), D(4)(a)(i)(B), and D(4)(a)(i)(C) of this rule is made. If the
4 mailing required by part D(4)(a)(i)(C) of this rule is omitted because the plaintiff did not know of any
5 address other than those specified in parts D(4)(a)(i)(A) and D(4)(a)(i)(B) of this rule, the proof of
6 service shall so certify.

7 D(4)(a)(ii) Any fee charged by the Department of Transportation for providing address informa-
8 tion concerning a party served pursuant to subparagraph D(4)(a)(i) of this rule may be recovered as
9 provided in Rule 68.

10 D(4)(a)(iii) The requirements for obtaining an order of default against a defendant served pur-
11 suant to subparagraph D(4)(a)(i) of this rule are as provided in Rule 69 E.

12 D(4)(b) Notification of change of address. Any person who; while operating a motor vehicle on
13 the roads, highways, streets, or premises open to the public as defined by law of this state; is in-
14 volved in any accident, collision, or other event giving rise to liability shall forthwith notify the
15 Department of Transportation of any change of the person's address occurring within 3 years after
16 the accident, collision, or event.

17 D(5) Service in foreign country. When service is to be effected on a party in a foreign country,
18 it is also sufficient if service of true copies of the summons and the complaint is made in the manner
19 prescribed by the law of the foreign country for service in that country in its courts of general ju-
20 risdiction, or as directed by the foreign authority in response to letters rogatory, or as directed by
21 order of the court. However, in all cases service shall be reasonably calculated to give actual notice.

22 D(6) Court order for service by other method. When it appears that service is not possible under
23 any method otherwise specified in these rules or other rule or statute, then a motion supported by
24 affidavit or declaration may be filed to request a discretionary court order to allow alternative
25 service by any method or combination of methods that, under the circumstances, is most reasonably
26 calculated to apprise the defendant of the existence and pendency of the action. If the court orders
27 alternative service and the plaintiff knows or with reasonable diligence can ascertain the
28 defendant's current address, the plaintiff must mail true copies of the summons and the complaint
29 to the defendant at that address by first class mail and any of the following: certified, registered,
30 or express mail, return receipt requested. If the plaintiff does not know, and with reasonable dili-
31 gence cannot ascertain, the current address of any defendant, the plaintiff must mail true copies of
32 the summons and the complaint by the methods specified above to the defendant at the defendant's
33 last known address. If the plaintiff does not know, and with reasonable diligence cannot ascertain,
34 the defendant's current and last known addresses, a mailing of copies of the summons and the
35 complaint is not required.

36 D(6)(a) Non-electronic alternative service. Non-electronic forms of alternative service may in-
37 clude, but are not limited to, publication of summons; mailing without publication to a specified post
38 office address of the defendant by first class mail as well as either by certified, registered, or express
39 mail with return receipt requested; or posting at specified locations. The court may specify a re-
40 sponse time in accordance with subsection C(2) of this rule.

41 D(6)(a)(i) Alternative service by publication. In addition to the contents of a summons as de-
42 scribed in section C of this rule, a published summons must also contain a summary statement of
43 the object of the complaint and the demand for relief, and the notice required in subsection C(3) of
44 this rule must state: "The motion or answer or reply must be given to the court clerk or adminis-
45 trator within 30 days of the date of first publication specified herein along with the required filing

1 fee.” The published summons must also contain the date of the first publication of the summons.

2 D(6)(a)(i)(A) Where published. An order for publication must direct publication to be made in a
3 newspaper of general circulation in the county where the action is commenced or, if there is no such
4 newspaper, then in a newspaper to be designated as most likely to give notice to the person to be
5 served. The summons must be published four times in successive calendar weeks. If the plaintiff
6 knows of a specific location other than the county in which the action is commenced where publi-
7 cation might reasonably result in actual notice to the defendant, the plaintiff must so state in the
8 affidavit or declaration required by paragraph D(6) of this rule, and the court may order publication
9 in a comparable manner at that location in addition to, or in lieu of, publication in the county in
10 which the action is commenced.

11 D(6)(a)(ii) Alternative service by posting. The court may order service by posting true copies
12 of the summons and complaint at a designated location in the courthouse where the action is com-
13 menced and at any other location that the affidavit or declaration required by subsection D(6) of this
14 rule indicates that the posting might reasonably result in actual notice to the defendant.

15 D(6)(b) Electronic alternative service. Electronic forms of alternative service may include, but
16 are not limited to: e-mail; text message; facsimile transmission as defined in Rule 9 F; or posting to
17 a social media account. The affidavit or declaration filed with a motion for electronic alternative
18 service must include: verification that diligent inquiry revealed that the defendant’s residence ad-
19 dress, mailing address, and place of employment are unlikely to accomplish service; the reason that
20 plaintiff believes the defendant has recently sent and received transmissions from the specific e-mail
21 address or telephone or facsimile number, or maintains an active social media account on the spe-
22 cific platform the plaintiff asks to use; and facts that indicate the intended recipient is likely to
23 personally receive the electronic transmission. The certificate of service must verify compliance
24 with subparagraph D(6)(b)(i) and subparagraph D(6)(b)(ii) of this rule. An amended certificate of
25 service must be filed if it later becomes evident that the intended recipient did not personally re-
26 ceive the electronic transmission.

27 D(6)(b)(i) Content of electronic transmissions. If the court allows service by a specific electronic
28 method, the case name, case number, and name of the court in which the action is pending must be
29 prominently positioned where it is most likely to be read first. For e-mail service, those details must
30 appear in the subject line. For text message service, they must appear in the first line of the first
31 text. For facsimile service, they must appear at the top of the first page. For posting to a social
32 media account, they must appear in the top lines of the posting.

33 D(6)(b)(ii) Format of electronic transmissions. If the court allows alternative service by an
34 electronic method, the summons, complaint, and any other documents must be attached in a file
35 format that is capable of showing a true copy of the original document. When an electronic method
36 is incapable of transferring transmissions that exceed a certain size, the plaintiff must not exceed
37 those express size limitations. If the size of the attachments exceeds the limitations of any electronic
38 method allowed, then multiple sequential transmissions may be sent immediately after the initial
39 transmission to complete service.

40 D(6)(c) Unknown heirs or persons. If service cannot be made by another method described in
41 this section because defendants are unknown heirs or persons as described in Rule 20 I and J, the
42 action will proceed against the unknown heirs or persons in the same manner as against named
43 defendants served by publication and with like effect; and any unknown heirs or persons who have
44 or claim any right, estate, lien, or interest in the property in controversy at the time of the com-
45 mencement of the action, and who are served by publication, will be bound and concluded by the

1 judgment in the action, if the same is in favor of the plaintiff, as effectively as if the action had been
2 brought against those defendants by name.

3 D(6)(d) Defending before or after judgment. A defendant against whom service pursuant to this
4 subsection is ordered or that defendant's representatives, on application and sufficient cause shown,
5 at any time before judgment will be allowed to defend the action. A defendant against whom service
6 pursuant to this subsection is ordered or that defendant's representatives may, on good cause shown
7 and on any terms that may be proper, be allowed to defend after judgment and within one year after
8 entry of judgment. If the defense is successful, and the judgment or any part thereof has been col-
9 lected or otherwise enforced, restitution may be ordered by the court, but the title to property sold
10 on execution issued on that judgment, to a purchaser in good faith, will not be affected thereby.

11 D(6)(e) Defendant who cannot be served. Within the meaning of this subsection, a defendant
12 cannot be served with summons by any method authorized by subsection D(3) of this rule if service
13 pursuant to subparagraph D(4)(a)(i) of this rule is not applicable, the plaintiff attempted service of
14 summons by all of the methods authorized by subsection D(3) of this rule, and the plaintiff was un-
15 able to complete service; or if the plaintiff knew that service by these methods could not be ac-
16 complished.

17 **SECTION 130.** ORCP 7 D, as amended by section 129 of this 2025 Act, is amended to read:

18 D Manner of service.

19 D(1) Notice required. Summons shall be served, either within or without this state, in any
20 manner reasonably calculated, under all the circumstances, to apprise the defendant of the existence
21 and pendency of the action and to afford a reasonable opportunity to appear and defend. Summons
22 may be served in a manner specified in this rule or by any other rule or statute on the defendant
23 or on an agent authorized by appointment or law to accept service of summons for the defendant.
24 Service may be made, subject to the restrictions and requirements of this rule, by the following
25 methods: personal service of true copies of the summons and the complaint on defendant or an agent
26 of defendant authorized to receive process; substituted service by leaving true copies of the sum-
27 mons and the complaint at a person's dwelling house or usual place of abode; office service by
28 leaving true copies of the summons and the complaint with a person who is apparently in charge
29 of an office; service by mail; or service by publication.

30 D(2) Service methods.

31 D(2)(a) Personal service. Personal service may be made by delivery of a true copy of the sum-
32 mons and a true copy of the complaint to the person to be served.

33 D(2)(b) Substituted service. Substituted service may be made by delivering true copies of the
34 summons and the complaint at the dwelling house or usual place of abode of the person to be served
35 to any person 14 years of age or older residing in the dwelling house or usual place of abode of the
36 person to be served. Where substituted service is used, the plaintiff, as soon as reasonably possible,
37 shall cause to be mailed by first class mail true copies of the summons and the complaint to the
38 defendant at defendant's dwelling house or usual place of abode, together with a statement of the
39 date, time, and place at which substituted service was made. For the purpose of computing any pe-
40 riod of time prescribed or allowed by these rules or by statute, substituted service shall be complete
41 on the mailing.

42 D(2)(c) Office service. If the person to be served maintains an office for the conduct of business,
43 office service may be made by leaving true copies of the summons and the complaint at that office
44 during normal working hours with the person who is apparently in charge. Where office service is
45 used, the plaintiff, as soon as reasonably possible, shall cause to be mailed by first class mail true

1 copies of the summons and the complaint to the defendant at defendant's dwelling house or usual
 2 place of abode or defendant's place of business or any other place under the circumstances that is
 3 most reasonably calculated to apprise the defendant of the existence and pendency of the action,
 4 together with a statement of the date, time, and place at which office service was made. For the
 5 purpose of computing any period of time prescribed or allowed by these rules or by statute, office
 6 service shall be complete on the mailing.

7 D(2)(d) Service by mail.

8 D(2)(d)(i) Generally. When service by mail is required or allowed by this rule or by statute, ex-
 9 cept as otherwise permitted, service by mail shall be made by mailing true copies of the summons
 10 and the complaint to the defendant by first class mail and by any of the following: certified, regis-
 11 tered, or express mail with return receipt requested. For purposes of this paragraph, "first class
 12 mail" does not include certified, registered, or express mail, return receipt requested, or any other
 13 form of mail that may delay or hinder actual delivery of mail to the addressee.

14 D(2)(d)(ii) Calculation of time. For the purpose of computing any period of time provided by
 15 these rules or by statute, service by mail, except as otherwise provided, shall be complete on the
 16 day the defendant, or other person authorized by appointment or law, signs a receipt for the mailing,
 17 or 3 days after the mailing if mailed to an address within the state, or 7 days after the mailing if
 18 mailed to an address outside the state, whichever first occurs.

19 D(3) Particular defendants. Service may be made on specified defendants as follows:

20 D(3)(a) Individuals.

21 D(3)(a)(i) Generally. On an individual defendant, by personal delivery of true copies of the sum-
 22 mons and the complaint to the defendant or other person authorized by appointment or law to re-
 23 ceive service of summons on behalf of the defendant, by substituted service, or by office service.
 24 Service may also be made on an individual defendant or other person authorized to receive service
 25 to whom neither subparagraph D(3)(a)(ii) nor D(3)(a)(iii) of this rule applies by a mailing made in
 26 accordance with paragraph D(2)(d) of this rule provided the defendant or other person authorized
 27 to receive service signs a receipt for the certified, registered, or express mailing, in which case
 28 service shall be complete on the date on which the defendant signs a receipt for the mailing.

29 D(3)(a)(ii) Minors. On a minor under 14 years of age, by service in the manner specified in sub-
 30 paragraph D(3)(a)(i) of this rule on the minor; and additionally on the minor's father, mother,
 31 conservator of the minor's estate, or guardian, or, if there be none, then on any person having the
 32 care or control of the minor, or with whom the minor resides, or in whose service the minor is
 33 employed, or on a guardian ad litem appointed pursuant to Rule 27 B.

34 D(3)(a)(iii) Incapacitated persons. On a person who is incapacitated or is financially incapable,
 35 as both terms are defined by ORS 125.005, by service in the manner specified in subparagraph
 36 D(3)(a)(i) of this rule on the person and, also, on the conservator of the person's estate or guardian
 37 or, if there be none, on a guardian ad litem appointed pursuant to Rule 27 B.

38 D(3)(a)(iv) Tenant of a mail agent. On an individual defendant who is a "tenant" of a "mail
 39 agent" within the meaning of ORS 646A.340, by delivering true copies of the summons and the
 40 complaint to any person apparently in charge of the place where the mail agent receives mail for
 41 the tenant, provided that:

42 D(3)(a)(iv)(A) the plaintiff makes a diligent inquiry but cannot find the defendant; and

43 D(3)(a)(iv)(B) the plaintiff, as soon as reasonably possible after delivery, causes true copies of
 44 the summons and the complaint to be mailed by first class mail to the defendant at the address at
 45 which the mail agent receives mail for the defendant and to any other mailing address of the de-

1 fendant then known to the plaintiff, together with a statement of the date, time, and place at which
 2 the plaintiff delivered the copies of the summons and the complaint. Service shall be complete on
 3 the latest date resulting from the application of subparagraph D(2)(d)(ii) of this rule to all mailings
 4 required by this subparagraph unless the defendant signs a receipt for the mailing, in which case
 5 service is complete on the day the defendant signs the receipt.

6 D(3)(b) Corporations including, but not limited to, professional corporations and cooperatives.
 7 On a domestic or foreign corporation:

8 D(3)(b)(i) Primary service method. By personal service or office service on a registered agent,
 9 officer, or director of the corporation; or by personal service on any clerk on duty in the office of
 10 a registered agent.

11 D(3)(b)(ii) Alternatives. True copies of the summons and the complaint may be served:

12 D(3)(b)(ii)(A) by substituted service on the registered agent, officer, or director;

13 D(3)(b)(ii)(B) by personal service on any clerk or agent of the corporation;

14 D(3)(b)(ii)(C) by mailing in the manner specified in paragraph D(2)(d) of this rule true copies of
 15 the summons and the complaint to: the office of the registered agent or to the last registered office
 16 of the corporation, if any, as shown by the records on file in the office of the Secretary of State;
 17 or, if the corporation is not authorized to transact business in this state at the time of the trans-
 18 action, event, or occurrence on which the action is based occurred, to the principal office or place
 19 of business of the corporation; and, in any case, to any address the use of which the plaintiff knows
 20 or has reason to believe is most likely to result in actual notice; or

21 D(3)(b)(ii)(D) on the Secretary of State in the manner provided in ORS 60.121 or 60.731.

22 D(3)(c) Limited liability companies. On a limited liability company or registered foreign limited
 23 liability company, as defined in section 2 of this 2025 Act:

24 D(3)(c)(i) Primary service method. By personal service or office service on a registered agent,
 25 manager, or (for a member-managed limited liability company) member of a limited liability company
 26 or registered foreign limited liability company; or by personal service on any clerk on duty in the
 27 office of a registered agent.

28 D(3)(c)(ii) Alternatives. True copies of the summons and the complaint may be served:

29 D(3)(c)(ii)(A) by substituted service on the registered agent, manager, or (for a member-managed
 30 limited liability company) member of a limited liability company or registered foreign limited liabil-
 31 ity company;

32 D(3)(c)(ii)(B) by personal service on any clerk or agent of the limited liability company or reg-
 33 istered foreign limited liability company;

34 D(3)(c)(ii)(C) by mailing in the manner specified in paragraph D(2)(d) of this rule true copies of
 35 the summons and the complaint to: the office of the registered agent or to the last registered office
 36 of the limited liability company or registered foreign limited liability company, if any, as shown by
 37 the records on file in the office of the Secretary of State; or, if the limited liability company or
 38 registered foreign limited liability company is not authorized to transact business in this state at the
 39 time of the transaction, event, or occurrence on which the action is based occurred, to the principal
 40 office or place of business of the limited liability company or registered foreign limited liability
 41 company; and, in any case, to any address the use of which the plaintiff knows or has reason to
 42 believe is most likely to result in actual notice; or

43 D(3)(c)(ii)(D) On the Secretary of State in the manner provided in [*ORS 63.121 or as provided*
 44 *in*] section 20 of this 2025 Act.

45 D(3)(d) Limited partnerships. On a domestic or foreign limited partnership:

1 D(3)(d)(i) Primary service method. By personal service or registered foreign limited liability
2 company office service on a registered agent or a general partner of a limited partnership; or by
3 personal service on any clerk on duty in the office of a registered agent.

4 D(3)(d)(ii) Alternatives. True copies of the summons and the complaint may be served:

5 D(3)(d)(ii)(A) by substituted service on the registered agent or general partner of a limited
6 partnership;

7 D(3)(d)(ii)(B) by mailing in the manner specified in paragraph D(2)(d) of this rule true copies of
8 the summons and the complaint to: the office of the registered agent or to the last registered office
9 of the limited partnership, if any, as shown by the records on file in the office of the Secretary of
10 State; or, if the limited partnership is not authorized to transact business in this state at the time
11 of the transaction, event, or occurrence on which the action is based occurred, to the principal of-
12 fice or place of business of the limited partnership; and, in any case, to any address the use of which
13 the plaintiff knows or has reason to believe is most likely to result in actual notice; or

14 D(3)(d)(ii)(C) on the Secretary of State in the manner provided in ORS 70.040 or 70.045.

15 D(3)(e) General partnerships and limited liability partnerships. On any general partnership or
16 limited liability partnership by personal service on a partner or any agent authorized by appoint-
17 ment or law to receive service of summons for the partnership or limited liability partnership.

18 D(3)(f) Other unincorporated associations subject to suit under a common name. On any other
19 unincorporated association subject to suit under a common name by personal service on an officer,
20 managing agent, or agent authorized by appointment or law to receive service of summons for the
21 unincorporated association.

22 D(3)(g) State. On the state, by personal service on the Attorney General or by leaving true
23 copies of the summons and the complaint at the Attorney General's office with a deputy, assistant,
24 or clerk.

25 D(3)(h) Public bodies. On any county; incorporated city; school district; or other public corpo-
26 ration, commission, board, or agency by personal service or office service on an officer, director,
27 managing agent, or attorney thereof.

28 D(3)(i) Vessel owners and charterers. On any foreign steamship owner or steamship charterer
29 by personal service on a vessel master in the owner's or charterer's employment or any agent au-
30 thorized by the owner or charterer to provide services to a vessel calling at a port in the State of
31 Oregon, or a port in the State of Washington on that portion of the Columbia River forming a
32 common boundary with Oregon.

33 D(4) Particular actions involving motor vehicles.

34 D(4)(a) Actions arising out of use of roads, highways, streets, or premises open to the public;
35 service by mail.

36 D(4)(a)(i) In any action arising out of any accident, collision, or other event giving rise to li-
37 ability in which a motor vehicle may be involved while being operated on the roads, highways,
38 streets, or premises open to the public as defined by law of this state if the plaintiff makes at least
39 one attempt to serve a defendant who operated such motor vehicle, or caused it to be operated on
40 the defendant's behalf, by a method authorized by subsection D(3) of this rule except service by mail
41 pursuant to subparagraph D(3)(a)(i) of this rule and, as shown by its return, did not effect service,
42 the plaintiff may then serve that defendant by mailings made in accordance with paragraph D(2)(d)
43 of this rule addressed to that defendant at:

44 D(4)(a)(i)(A) any residence address provided by that defendant at the scene of the accident;

45 D(4)(a)(i)(B) the current residence address, if any, of that defendant shown in the driver records

1 of the Department of Transportation; and

2 D(4)(a)(i)(C) any other address of that defendant known to the plaintiff at the time of making the
3 mailings required by parts D(4)(a)(i)(A) and D(4)(a)(i)(B) of this rule that reasonably might result in
4 actual notice to that defendant. Sufficient service pursuant to this subparagraph may be shown if
5 the proof of service includes a true copy of the envelope in which each of the certified, registered,
6 or express mailings required by parts D(4)(a)(i)(A), D(4)(a)(i)(B), and D(4)(a)(i)(C) of this rule was
7 made showing that it was returned to sender as undeliverable or that the defendant did not sign the
8 receipt. For the purpose of computing any period of time prescribed or allowed by these rules or
9 by statute, service under this subparagraph shall be complete on the latest date on which any of the
10 mailings required by parts D(4)(a)(i)(A), D(4)(a)(i)(B), and D(4)(a)(i)(C) of this rule is made. If the
11 mailing required by part D(4)(a)(i)(C) of this rule is omitted because the plaintiff did not know of any
12 address other than those specified in parts D(4)(a)(i)(A) and D(4)(a)(i)(B) of this rule, the proof of
13 service shall so certify.

14 D(4)(a)(ii) Any fee charged by the Department of Transportation for providing address informa-
15 tion concerning a party served pursuant to subparagraph D(4)(a)(i) of this rule may be recovered as
16 provided in Rule 68.

17 D(4)(a)(iii) The requirements for obtaining an order of default against a defendant served pur-
18 suant to subparagraph D(4)(a)(i) of this rule are as provided in Rule 69 E.

19 D(4)(b) Notification of change of address. Any person who; while operating a motor vehicle on
20 the roads, highways, streets, or premises open to the public as defined by law of this state; is in-
21 volved in any accident, collision, or other event giving rise to liability shall forthwith notify the
22 Department of Transportation of any change of the person's address occurring within 3 years after
23 the accident, collision, or event.

24 D(5) Service in foreign country. When service is to be effected on a party in a foreign country,
25 it is also sufficient if service of true copies of the summons and the complaint is made in the manner
26 prescribed by the law of the foreign country for service in that country in its courts of general ju-
27 risdiction, or as directed by the foreign authority in response to letters rogatory, or as directed by
28 order of the court. However, in all cases service shall be reasonably calculated to give actual notice.

29 D(6) Court order for service by other method. When it appears that service is not possible under
30 any method otherwise specified in these rules or other rule or statute, then a motion supported by
31 affidavit or declaration may be filed to request a discretionary court order to allow alternative
32 service by any method or combination of methods that, under the circumstances, is most reasonably
33 calculated to apprise the defendant of the existence and pendency of the action. If the court orders
34 alternative service and the plaintiff knows or with reasonable diligence can ascertain the
35 defendant's current address, the plaintiff must mail true copies of the summons and the complaint
36 to the defendant at that address by first class mail and any of the following: certified, registered,
37 or express mail, return receipt requested. If the plaintiff does not know, and with reasonable dili-
38 gence cannot ascertain, the current address of any defendant, the plaintiff must mail true copies of
39 the summons and the complaint by the methods specified above to the defendant at the defendant's
40 last known address. If the plaintiff does not know, and with reasonable diligence cannot ascertain,
41 the defendant's current and last known addresses, a mailing of copies of the summons and the
42 complaint is not required.

43 D(6)(a) Non-electronic alternative service. Non-electronic forms of alternative service may in-
44 clude, but are not limited to, publication of summons; mailing without publication to a specified post
45 office address of the defendant by first class mail as well as either by certified, registered, or express

1 mail with return receipt requested; or posting at specified locations. The court may specify a re-
2 sponse time in accordance with subsection C(2) of this rule.

3 D(6)(a)(i) Alternative service by publication. In addition to the contents of a summons as de-
4 scribed in section C of this rule, a published summons must also contain a summary statement of
5 the object of the complaint and the demand for relief, and the notice required in subsection C(3) of
6 this rule must state: “The motion or answer or reply must be given to the court clerk or adminis-
7 trator within 30 days of the date of first publication specified herein along with the required filing
8 fee.” The published summons must also contain the date of the first publication of the summons.

9 D(6)(a)(i)(A) Where published. An order for publication must direct publication to be made in a
10 newspaper of general circulation in the county where the action is commenced or, if there is no such
11 newspaper, then in a newspaper to be designated as most likely to give notice to the person to be
12 served. The summons must be published four times in successive calendar weeks. If the plaintiff
13 knows of a specific location other than the county in which the action is commenced where publi-
14 cation might reasonably result in actual notice to the defendant, the plaintiff must so state in the
15 affidavit or declaration required by paragraph D(6) of this rule, and the court may order publication
16 in a comparable manner at that location in addition to, or in lieu of, publication in the county in
17 which the action is commenced.

18 D(6)(a)(ii) Alternative service by posting. The court may order service by posting true copies
19 of the summons and complaint at a designated location in the courthouse where the action is com-
20 menced and at any other location that the affidavit or declaration required by subsection D(6) of this
21 rule indicates that the posting might reasonably result in actual notice to the defendant.

22 D(6)(b) Electronic alternative service. Electronic forms of alternative service may include, but
23 are not limited to: e-mail; text message; facsimile transmission as defined in Rule 9 F; or posting to
24 a social media account. The affidavit or declaration filed with a motion for electronic alternative
25 service must include: verification that diligent inquiry revealed that the defendant’s residence ad-
26 dress, mailing address, and place of employment are unlikely to accomplish service; the reason that
27 plaintiff believes the defendant has recently sent and received transmissions from the specific e-mail
28 address or telephone or facsimile number, or maintains an active social media account on the spe-
29 cific platform the plaintiff asks to use; and facts that indicate the intended recipient is likely to
30 personally receive the electronic transmission. The certificate of service must verify compliance
31 with subparagraph D(6)(b)(i) and subparagraph D(6)(b)(ii) of this rule. An amended certificate of
32 service must be filed if it later becomes evident that the intended recipient did not personally re-
33 ceive the electronic transmission.

34 D(6)(b)(i) Content of electronic transmissions. If the court allows service by a specific electronic
35 method, the case name, case number, and name of the court in which the action is pending must be
36 prominently positioned where it is most likely to be read first. For e-mail service, those details must
37 appear in the subject line. For text message service, they must appear in the first line of the first
38 text. For facsimile service, they must appear at the top of the first page. For posting to a social
39 media account, they must appear in the top lines of the posting.

40 D(6)(b)(ii) Format of electronic transmissions. If the court allows alternative service by an
41 electronic method, the summons, complaint, and any other documents must be attached in a file
42 format that is capable of showing a true copy of the original document. When an electronic method
43 is incapable of transferring transmissions that exceed a certain size, the plaintiff must not exceed
44 those express size limitations. If the size of the attachments exceeds the limitations of any electronic
45 method allowed, then multiple sequential transmissions may be sent immediately after the initial

1 transmission to complete service.

2 D(6)(c) Unknown heirs or persons. If service cannot be made by another method described in
3 this section because defendants are unknown heirs or persons as described in Rule 20 I and J, the
4 action will proceed against the unknown heirs or persons in the same manner as against named
5 defendants served by publication and with like effect; and any unknown heirs or persons who have
6 or claim any right, estate, lien, or interest in the property in controversy at the time of the com-
7 mencement of the action, and who are served by publication, will be bound and concluded by the
8 judgment in the action, if the same is in favor of the plaintiff, as effectively as if the action had been
9 brought against those defendants by name.

10 D(6)(d) Defending before or after judgment. A defendant against whom service pursuant to this
11 subsection is ordered or that defendant's representatives, on application and sufficient cause shown,
12 at any time before judgment will be allowed to defend the action. A defendant against whom service
13 pursuant to this subsection is ordered or that defendant's representatives may, on good cause shown
14 and on any terms that may be proper, be allowed to defend after judgment and within one year after
15 entry of judgment. If the defense is successful, and the judgment or any part thereof has been col-
16 lected or otherwise enforced, restitution may be ordered by the court, but the title to property sold
17 on execution issued on that judgment, to a purchaser in good faith, will not be affected thereby.

18 D(6)(e) Defendant who cannot be served. Within the meaning of this subsection, a defendant
19 cannot be served with summons by any method authorized by subsection D(3) of this rule if service
20 pursuant to subparagraph D(4)(a)(i) of this rule is not applicable, the plaintiff attempted service of
21 summons by all of the methods authorized by subsection D(3) of this rule, and the plaintiff was un-
22 able to complete service; or if the plaintiff knew that service by these methods could not be ac-
23 complished.

24 **SECTION 131. The amendments to ORCP 7 D by section 130 of this 2025 Act become op-**
25 **erative on January 1, 2028.**

26 **SECTION 132.** ORS 33.025 is amended to read:

27 33.025. (1) The power of a court to impose a remedial or punitive sanction for contempt of court
28 is an inherent judicial power. ORS 33.015 to 33.155 establish procedures to govern the exercise of
29 that power.

30 (2) An entity is liable for contempt if:

31 (a) The conduct constituting contempt is engaged in by an agent of the entity while acting
32 within the scope of employment and on behalf of the entity;

33 (b) The conduct constituting contempt consists of an omission to discharge a specific duty of
34 affirmative performance imposed on an entity by a court; or

35 (c) The conduct constituting contempt is engaged in, authorized, solicited, requested, commanded
36 or knowingly tolerated by a high managerial agent of an entity, the board of directors of a corpo-
37 ration, a manager or member of a limited liability company or a partner in a partnership, acting
38 within the scope of employment and on behalf of the entity.

39 (3) The high managerial agents of an entity, the board of directors of a corporation, the man-
40 agers and members of a limited liability company and the partners in a partnership are subject to
41 the contempt powers of a court for contempt by an entity if those persons engage in, authorize, so-
42 licit, request, command or knowingly tolerate the conduct constituting contempt.

43 (4) As used in this section:

44 (a) "Agent" means a person who is authorized to act on behalf of an entity.

45 (b) "Entity" has the meaning given that term in ORS 63.001 **or, as appropriate, section 90 of**

1 **this 2025 Act.**

2 (c) “High managerial agent” means an officer of an entity who exercises authority with respect
 3 to the formulation of policy or the supervision in a managerial capacity of subordinate employees,
 4 or any other agent in a position of comparable authority.

5 (d) “Manager” and “member” have the meaning given those terms in ORS 63.001 **or, as appro-**
 6 **priate, section 2 of this 2025 Act.**

7 (e) “Partnership” has the meaning given that term in ORS 67.005.

8 **SECTION 133.** ORS 33.025, as amended by section 132 of this 2025 Act, is amended to read:

9 33.025. (1) The power of a court to impose a remedial or punitive sanction for contempt of court
 10 is an inherent judicial power. ORS 33.015 to 33.155 establish procedures to govern the exercise of
 11 that power.

12 (2) An entity is liable for contempt if:

13 (a) The conduct constituting contempt is engaged in by an agent of the entity while acting
 14 within the scope of employment and on behalf of the entity;

15 (b) The conduct constituting contempt consists of an omission to discharge a specific duty of
 16 affirmative performance imposed on an entity by a court; or

17 (c) The conduct constituting contempt is engaged in, authorized, solicited, requested, commanded
 18 or knowingly tolerated by a high managerial agent of an entity, the board of directors of a corpo-
 19 ration, a manager or member of a limited liability company or a partner in a partnership, acting
 20 within the scope of employment and on behalf of the entity.

21 (3) The high managerial agents of an entity, the board of directors of a corporation, the man-
 22 agers and members of a limited liability company and the partners in a partnership are subject to
 23 the contempt powers of a court for contempt by an entity if those persons engage in, authorize, so-
 24 licit, request, command or knowingly tolerate the conduct constituting contempt.

25 (4) As used in this section:

26 (a) “Agent” means a person who is authorized to act on behalf of an entity.

27 (b) “Entity” has the meaning given that term in [ORS 63.001 or, as appropriate,] section 90 of
 28 this 2025 Act.

29 (c) “High managerial agent” means an officer of an entity who exercises authority with respect
 30 to the formulation of policy or the supervision in a managerial capacity of subordinate employees,
 31 or any other agent in a position of comparable authority.

32 (d) “Manager” and “member” have the meaning given those terms in [ORS 63.001 or, as appro-
 33 priate,] section 2 of this 2025 Act.

34 (e) “Partnership” has the meaning given that term in ORS 67.005.

35 **SECTION 134. The amendments to ORS 33.025 by section 133 of this 2025 Act become**
 36 **operative on January 1, 2028.**

37 **SECTION 135.** ORS 56.014 is amended to read:

38 56.014. (1) The Secretary of State is the filing officer under ORS chapters 58, 60, 62, 63, 65, 67,
 39 70, 554, 647 and 648 and ORS 128.560 to 128.600, 649.010 to 649.080, 649.990 and 661.210 to 661.280
 40 **and sections 1 to 125 of this 2025 Act.**

41 (2) The duties, powers and authority of the Secretary of State under this chapter apply to the
 42 Secretary of State’s functions under ORS chapters 58, 60, 62, 63, 65, 67, 70, 554, 647 and 648 and
 43 ORS 128.560 to 128.600, 649.010 to 649.080, 649.990 and 661.210 to 661.280 **and sections 1 to 125 of**
 44 **this 2025 Act.**

45 **SECTION 136.** ORS 56.014, as amended by section 135 of this 2025 Act, is amended to read:

1 56.014. (1) The Secretary of State is the filing officer under ORS chapters 58, 60, 62, [63,] 65, 67,
2 70, 554, 647 and 648 and ORS 128.560 to 128.600, 649.010 to 649.080, 649.990 and 661.210 to 661.280
3 and sections 1 to 125 of this 2025 Act.

4 (2) The duties, powers and authority of the Secretary of State under this chapter apply to the
5 Secretary of State's functions under ORS chapters 58, 60, 62, [63,] 65, 67, 70, 554, 647 and 648 and
6 ORS 128.560 to 128.600, 649.010 to 649.080, 649.990 and 661.210 to 661.280 and sections 1 to 125 of
7 this 2025 Act.

8 **SECTION 137. The amendments to ORS 56.014 by section 136 of this 2025 Act become**
9 **operative on January 1, 2028.**

10 **SECTION 138.** ORS 56.016 is amended to read:

11 56.016. (1) Notwithstanding any provisions of ORS chapters 58, 60, 62, 63, 65, 67, 70, 554, 647 and
12 648 or ORS 128.560 to 128.600, 649.010 to 649.080, 649.990 or 661.210 to 661.280 **or sections 1 to 125**
13 **of this 2025 Act** relating to the Secretary of State as the filing officer:

14 (a) A document may be delivered to the office of the Secretary of State for filing by electronic
15 facsimile transmission if the original document is otherwise acceptable for filing.

16 (b) Any other reproduction of a document may be delivered to the office of the Secretary of
17 State for filing if the original document is otherwise acceptable for filing.

18 (c) A document delivered under paragraph (a) or (b) of this subsection need not be accompanied
19 by a true copy of the document. After filing a document delivered under paragraph (a) or (b) of this
20 subsection, the Secretary of State shall return an acknowledgment of filing to the domestic or for-
21 eign business entity or the representative of the domestic or foreign business entity.

22 (2) Subsection (1) of this section applies only to documents for which the Secretary of State is
23 the filing officer under ORS 56.014.

24 (3)(a) The Secretary of State by rule may specify a method, including but not limited to an
25 electronic method, by which the Secretary of State will send a notice, instead of or in addition to
26 a written notice by mail, that is related to a document for which the Secretary of State is the filing
27 officer under ORS 56.014. The Secretary of State shall permit a person that files a document to elect
28 to receive notice by the method that the Secretary of State specifies under this paragraph. If the
29 person does not elect to receive notice by the specified method, the Secretary of State shall send
30 the notice by mail.

31 (b) The Secretary of State by rule may specify the form and format of and the manner in which
32 a person may make the election described in paragraph (a) of this subsection and submit contact
33 information that is suitable for receiving notice by the method the Secretary of State specifies under
34 paragraph (a) of this subsection.

35 (c) Notwithstanding paragraph (a) of this subsection, the Secretary of State may not send a no-
36 tice required before an administrative dissolution or a suspension or revocation of authority to
37 transact business in this state using any method other than in writing and by mail.

38 (4) The Secretary of State by rule may establish fees for receiving and sending notices related
39 to documents delivered for filing.

40 **SECTION 139.** ORS 56.016, as amended by section 138 of this 2025 Act, is amended to read:

41 56.016. (1) Notwithstanding any provisions of ORS chapters 58, 60, 62, [63,] 65, 67, 70, 554, 647
42 and 648 or ORS 128.560 to 128.600, 649.010 to 649.080, 649.990 or 661.210 to 661.280 or sections 1 to
43 125 of this 2025 Act relating to the Secretary of State as the filing officer:

44 (a) A document may be delivered to the office of the Secretary of State for filing by electronic
45 facsimile transmission if the original document is otherwise acceptable for filing.

1 (b) Any other reproduction of a document may be delivered to the office of the Secretary of
2 State for filing if the original document is otherwise acceptable for filing.

3 (c) A document delivered under paragraph (a) or (b) of this subsection need not be accompanied
4 by a true copy of the document. After filing a document delivered under paragraph (a) or (b) of this
5 subsection, the Secretary of State shall return an acknowledgment of filing to the domestic or for-
6 eign business entity or the representative of the domestic or foreign business entity.

7 (2) Subsection (1) of this section applies only to documents for which the Secretary of State is
8 the filing officer under ORS 56.014.

9 (3)(a) The Secretary of State by rule may specify a method, including but not limited to an
10 electronic method, by which the Secretary of State will send a notice, instead of or in addition to
11 a written notice by mail, that is related to a document for which the Secretary of State is the filing
12 officer under ORS 56.014. The Secretary of State shall permit a person that files a document to elect
13 to receive notice by the method that the Secretary of State specifies under this paragraph. If the
14 person does not elect to receive notice by the specified method, the Secretary of State shall send
15 the notice by mail.

16 (b) The Secretary of State by rule may specify the form and format of and the manner in which
17 a person may make the election described in paragraph (a) of this subsection and submit contact
18 information that is suitable for receiving notice by the method the Secretary of State specifies under
19 paragraph (a) of this subsection.

20 (c) Notwithstanding paragraph (a) of this subsection, the Secretary of State may not send a no-
21 tice required before an administrative dissolution or a suspension or revocation of authority to
22 transact business in this state using any method other than in writing and by mail.

23 (4) The Secretary of State by rule may establish fees for receiving and sending notices related
24 to documents delivered for filing.

25 **SECTION 140. The amendments to ORS 56.016 by section 139 of this 2025 Act become**
26 **operative on January 1, 2028.**

27 **SECTION 141.** ORS 56.022 is amended to read:

28 56.022. The Secretary of State shall have the power and authority reasonably necessary to en-
29 able the Secretary of State to carry out business registry functions and other duties imposed on the
30 Secretary of State under ORS chapters 58, 60, 62, 63, 65, 67, 70, 554, 647 and 648 and ORS 128.560
31 to 128.600, 649.010 to 649.080, 649.990 and 661.210 to 661.280 **and sections 1 to 125 of this 2025**
32 **Act**, including the authority to promulgate rules governing the procedure and form for submitting
33 documents to be filed by the Secretary of State and the procedure and form for filing and retaining
34 the documents and any other records required to be kept.

35 **SECTION 142.** ORS 56.022, as amended by section 141 of this 2025 Act, is amended to read:

36 56.022. The Secretary of State shall have the power and authority reasonably necessary to en-
37 able the Secretary of State to carry out business registry functions and other duties imposed on the
38 Secretary of State under ORS chapters 58, 60, 62, [63,] 65, 67, 70, 554, 647 and 648 and ORS 128.560
39 to 128.600, 649.010 to 649.080, 649.990 and 661.210 to 661.280 and sections 1 to 125 of this 2025 Act,
40 including the authority to promulgate rules governing the procedure and form for submitting docu-
41 ments to be filed by the Secretary of State and the procedure and form for filing and retaining the
42 documents and any other records required to be kept.

43 **SECTION 143. The amendments to ORS 56.022 by section 142 of this 2025 Act become**
44 **operative on January 1, 2028.**

45 **SECTION 144.** ORS 56.023 is amended to read:

1 56.023. (1) If a person seeks to make a business registry filing of a name with the Secretary of
 2 State under ORS chapter 58, 60, 62, 63, 65, 67, 70, 554 or 648 or ORS 128.560 to 128.600 **or sections**
 3 **1 to 125 of this 2025 Act** that contains the word or words “banc,” “bancorp,” “bank,” “banker,”
 4 “banking,” “savings,” “safe deposit,” “trust,” “trustee,” “building and loan” or their equivalents in
 5 a language other than English, or a similar word or words in English or an equivalent in a language
 6 other than English, implying a business primarily engaged in the lending of money, underwriting or
 7 sale of financial products, acting as a depository institution, acting as a financial planner, financial
 8 adviser or acting as a loan broker, the Secretary of State may not accept the name for filing without
 9 first receiving specific written approval from the Director of the Department of Consumer and
 10 Business Services under the provisions of ORS 705.635.

11 (2) The provisions of subsection (1) of this section do not apply if the Secretary of State is sat-
 12 isfied that the name at issue is in a context clearly not purporting to refer to a banking or other
 13 financial activity or not likely to mislead the public about the nature of the business or lead to a
 14 pattern and practice of abuse that might cause harm to the interests of the public or the State of
 15 Oregon as determined by the Secretary of State.

16 **SECTION 145.** ORS 56.023, as amended by section 144 of this 2025 Act, is amended to read:

17 56.023. (1) If a person seeks to make a business registry filing of a name with the Secretary of
 18 State under ORS chapter 58, 60, 62, [63,] 65, 67, 70, 554 or 648 or ORS 128.560 to 128.600 or sections
 19 1 to 125 of this 2025 Act that contains the word or words “banc,” “bancorp,” “bank,” “banker,”
 20 “banking,” “savings,” “safe deposit,” “trust,” “trustee,” “building and loan” or their equivalents in
 21 a language other than English, or a similar word or words in English or an equivalent in a language
 22 other than English, implying a business primarily engaged in the lending of money, underwriting or
 23 sale of financial products, acting as a depository institution, acting as a financial planner, financial
 24 adviser or acting as a loan broker, the Secretary of State may not accept the name for filing without
 25 first receiving specific written approval from the Director of the Department of Consumer and
 26 Business Services under the provisions of ORS 705.635.

27 (2) The provisions of subsection (1) of this section do not apply if the Secretary of State is sat-
 28 isfied that the name at issue is in a context clearly not purporting to refer to a banking or other
 29 financial activity or not likely to mislead the public about the nature of the business or lead to a
 30 pattern and practice of abuse that might cause harm to the interests of the public or the State of
 31 Oregon as determined by the Secretary of State.

32 **SECTION 146. The amendments to ORS 56.023 by section 145 of this 2025 Act become**
 33 **operative on January 1, 2028.**

34 **SECTION 147.** ORS 56.037 is amended to read:

35 56.037. (1) The Secretary of State may refuse to file a document delivered for filing under ORS
 36 chapter 58, 60, 62, 63, 65, 67, 70, 79, 87, 194, 305, 465, 466, 475, 554, 596, 634, 647, 648, 657 or 713
 37 or under ORS 30.630, 80.115, 80.118 or 128.595 **or sections 1 to 125 of this 2025 Act** if the document
 38 contains a Social Security number, a state identification number, a driver license number, a credit
 39 or debit card number or an account number that is not redacted.

40 (2) For purposes of this section, “redacted” means altered or truncated so that not more than
 41 the last four digits of a number are accessible.

42 **SECTION 148.** ORS 56.037, as amended by section 147 of this 2025 Act, is amended to read:

43 56.037. (1) The Secretary of State may refuse to file a document delivered for filing under ORS
 44 chapter 58, 60, 62, [63,] 65, 67, 70, 79, 87, 194, 305, 465, 466, 475, 554, 596, 634, 647, 648, 657 or 713
 45 or under ORS 30.630, 80.115, 80.118 or 128.595 or sections 1 to 125 of this 2025 Act if the document

1 contains a Social Security number, a state identification number, a driver license number, a credit
2 or debit card number or an account number that is not redacted.

3 (2) For purposes of this section, “redacted” means altered or truncated so that not more than
4 the last four digits of a number are accessible.

5 **SECTION 149. The amendments to ORS 56.037 by section 148 of this 2025 Act become**
6 **operative on January 1, 2028.**

7 **SECTION 150.** ORS 56.110 is amended to read:

8 56.110. (1) This section applies to certificates of the Secretary of State and documents [*filed*
9 *by*] the Secretary of State **files** under the business registry functions of the Secretary of State. All
10 certificates issued by the Secretary of State and all copies of documents [*filed in the office of*] the
11 Secretary of State **files**, when certified by the Secretary of State, shall be taken and received in all
12 courts, public offices and official bodies of this state as prima facie evidence of the facts stated in
13 the certificates or documents. A certificate by the Secretary of State as to the compliance or non-
14 compliance of the document with the filing requirements or other provisions of law administered by
15 [*the office of*] the Secretary of State, or as to the existence or nonexistence of the facts relating to
16 the matters contained in the documents which would appear from the presence or absence of docu-
17 ments [*filed in the office of*] the Secretary of State **files**, shall be taken and received in all courts,
18 public offices and official bodies of this state as prima facie evidence of the existence or nonexist-
19 ence of the facts stated in the certificates or documents.

20 **(2) A certificate with the Secretary of State’s signature, which may be in facsimile, at-**
21 **tached to a copy of a document the Secretary of State has filed, is conclusive evidence that**
22 **the document or a facsimile of the document is on file with the Secretary of State.**

23 **NOTE:** Sections 151 and 152 were deleted. Subsequent sections were not renumbered.

24 **SECTION 153.** ORS 56.140 is amended to read:

25 56.140. (1) The Secretary of State shall collect a nonrefundable fee of \$100 for each of the fol-
26 lowing documents delivered to the Secretary of State for filing:

27 (a) Articles of incorporation delivered for filing under ORS 58.085.

28 (b) Articles of incorporation delivered for filing under ORS 60.051.

29 (c) Articles of incorporation delivered for filing under ORS 62.511.

30 (d) Articles of organization delivered for filing under ORS 63.051 **and, if appropriate, under**
31 **section 24 and sections 90 to 120 of this 2025 Act.**

32 (e) Applications for registration delivered for filing under ORS 67.603.

33 (f) Certificates of limited partnership delivered for filing under ORS 70.075.

34 (g) Trust documents delivered for filing under ORS 128.575.

35 (h) Articles of incorporation delivered for filing under ORS 554.020.

36 (2) The Secretary of State shall collect a nonrefundable fee of \$100 for annual reports delivered
37 for filing by an entity subject to a fee under subsection (1) of this section, and for any other related
38 document that the entity may or must file with the Secretary of State.

39 (3)(a) Except as provided in paragraph (b) of this subsection, the Secretary of State shall collect
40 a nonrefundable fee of \$275 for each of the following documents delivered to the Secretary of State
41 for filing:

42 (A) Applications for authority to transact business in this state delivered under ORS 58.134,
43 60.707, 63.707 or 67.710 **or, if appropriate, section 77 of this 2025 Act.**

44 (B) Applications for registration under ORS 70.355.

45 (C) Annual reports delivered for filing by an entity subject to a fee under subparagraph (A) or

1 (B) of this paragraph, and for any other related document that the entity may or must file with the
2 Secretary of State.

3 (b) If an eligible Indian tribe, as defined in ORS 307.181 (4)(a), owns, charters or registers an
4 entity or otherwise authorizes an entity to conduct business and the entity files a document that is
5 subject to a fee under paragraph (a) of this subsection, the Secretary of State shall collect a
6 nonrefundable fee of \$100 for filing the document if the entity accompanies the filing with a certif-
7 icate showing that the eligible Indian tribe owned, chartered or registered the entity or otherwise
8 authorized the entity to conduct business. The Secretary of State by rule may specify the type or
9 form and format of the certificate that the Secretary of State will accept under this paragraph.

10 (4) For documents other than those specified in subsections (1), (2) and (3) of this section, except
11 as provided in ORS 65.787 (6), the Secretary of State shall collect a nonrefundable fee of \$50 for each
12 document delivered for filing to the Secretary of State as part of the secretary's business registry
13 functions described in ORS 56.022.

14 (5) The Secretary of State by rule may establish fees, in addition to those provided for in sub-
15 sections (1) to (4) of this section, for:

16 (a) Copying any public record maintained by the secretary and relating to the secretary's busi-
17 ness registry functions, and for certifying the copy; and

18 (b) Certifying to other facts of record, including certificates of existence, relating to the
19 secretary's business registry functions.

20 (6) The Secretary of State shall collect a nonrefundable fee of \$20 each time process that is re-
21 lated to the Secretary of State's business registry functions is served on the Secretary of State.

22 (7) The Secretary of State may waive collection of any fee, charge or interest or portion of a fee,
23 charge or interest that the Secretary of State may collect as part of the secretary's business registry
24 functions.

25 (8) The Secretary of State by rule shall establish and collect reasonable fees for the following
26 services relating to the secretary's business registry functions:

27 (a) Computer generated lists on electronic data processing media.

28 (b) Terminal access to the files of the office.

29 (c) Microfilm records of the files of the office.

30 (d) Microfilm processing and development services.

31 (e) Copies of the programs and files on paper or electronic data processing media.

32 **SECTION 154.** ORS 56.140, as amended by section 153 of this 2025 Act, is amended to read:

33 56.140. (1) The Secretary of State shall collect a nonrefundable fee of \$100 for each of the fol-
34 lowing documents delivered to the Secretary of State for filing:

35 (a) Articles of incorporation delivered for filing under ORS 58.085.

36 (b) Articles of incorporation delivered for filing under ORS 60.051.

37 (c) Articles of incorporation delivered for filing under ORS 62.511.

38 (d) Articles of organization delivered for filing under [*ORS 63.051 and, if appropriate, under*]
39 section 24 and sections 90 to 120 of this 2025 Act.

40 (e) Applications for registration delivered for filing under ORS 67.603.

41 (f) Certificates of limited partnership delivered for filing under ORS 70.075.

42 (g) Trust documents delivered for filing under ORS 128.575.

43 (h) Articles of incorporation delivered for filing under ORS 554.020.

44 (2) The Secretary of State shall collect a nonrefundable fee of \$100 for annual reports delivered
45 for filing by an entity subject to a fee under subsection (1) of this section, and for any other related

1 document that the entity may or must file with the Secretary of State.

2 (3)(a) Except as provided in paragraph (b) of this subsection, the Secretary of State shall collect
 3 a nonrefundable fee of \$275 for each of the following documents delivered to the Secretary of State
 4 for filing:

5 (A) Applications for authority to transact business in this state delivered under ORS 58.134,
 6 60.707[, 63.707] or 67.710 or[, *if appropriate,*] section 77 of this 2025 Act.

7 (B) Applications for registration under ORS 70.355.

8 (C) Annual reports delivered for filing by an entity subject to a fee under subparagraph (A) or
 9 (B) of this paragraph, and for any other related document that the entity may or must file with the
 10 Secretary of State.

11 (b) If an eligible Indian tribe, as defined in ORS 307.181 (4)(a), owns, charters or registers an
 12 entity or otherwise authorizes an entity to conduct business and the entity files a document that is
 13 subject to a fee under paragraph (a) of this subsection, the Secretary of State shall collect a
 14 nonrefundable fee of \$100 for filing the document if the entity accompanies the filing with a certif-
 15 icate showing that the eligible Indian tribe owned, chartered or registered the entity or otherwise
 16 authorized the entity to conduct business. The Secretary of State by rule may specify the type or
 17 form and format of the certificate that the Secretary of State will accept under this paragraph.

18 (4) For documents other than those specified in subsections (1), (2) and (3) of this section, except
 19 as provided in ORS 65.787 (6), the Secretary of State shall collect a nonrefundable fee of \$50 for each
 20 document delivered for filing to the Secretary of State as part of the secretary’s business registry
 21 functions described in ORS 56.022.

22 (5) The Secretary of State by rule may establish fees, in addition to those provided for in sub-
 23 sections (1) to (4) of this section, for:

24 (a) Copying any public record maintained by the secretary and relating to the secretary’s busi-
 25 ness registry functions, and for certifying the copy; and

26 (b) Certifying to other facts of record, including certificates of existence, relating to the
 27 secretary’s business registry functions.

28 (6) The Secretary of State shall collect a nonrefundable fee of \$20 each time process that is re-
 29 lated to the Secretary of State’s business registry functions is served on the Secretary of State.

30 (7) The Secretary of State may waive collection of any fee, charge or interest or portion of a fee,
 31 charge or interest that the Secretary of State may collect as part of the secretary’s business registry
 32 functions.

33 (8) The Secretary of State by rule shall establish and collect reasonable fees for the following
 34 services relating to the secretary’s business registry functions:

35 (a) Computer generated lists on electronic data processing media.

36 (b) Terminal access to the files of the office.

37 (c) Microfilm records of the files of the office.

38 (d) Microfilm processing and development services.

39 (e) Copies of the programs and files on paper or electronic data processing media.

40 **SECTION 155. The amendments to ORS 56.140 by section 154 of this 2025 Act become**
 41 **operative on January 1, 2028.**

42 **SECTION 156.** ORS 60.001 is amended to read:

43 60.001. As used in this chapter:

44 (1) “Anniversary” means the day each year that is exactly one or more years after:

45 (a) The date on which the Secretary of State files the articles of incorporation for a domestic

1 corporation.

2 (b) The date on which the Secretary of State files an application for authority to transact busi-
3 ness for a foreign corporation.

4 (2) “Articles of incorporation” means the articles described in ORS 60.047, amended and restated
5 articles of incorporation, articles of conversion or articles of merger.

6 (3) “Authorized shares” means the shares of all classes that a domestic or foreign corporation
7 is authorized to issue.

8 (4) “Conspicuous” means written, printed, typed, displayed or otherwise presented so that a
9 reasonable person against whom a writing is to operate should have noticed the writing as a con-
10 sequence of a use of a method to draw attention to the writing, such as italics, boldface, contrasting
11 color, capitalization or underlining.

12 (5) “Corporation” or “domestic corporation” means a corporation for profit that is incorporated
13 under or subject to the provisions of this chapter and that is not a foreign corporation.

14 (6) “Delivery” means any method of delivery used in conventional commercial practice, including
15 by hand, mail, commercial delivery and, in accordance with ORS 60.034, electronic transmission.

16 (7) “Distribution” means a direct or indirect transfer of money or other property, except of a
17 corporation’s own shares, or a corporation’s incurrence of indebtedness to or for the benefit of the
18 corporation’s shareholders in respect of any of the corporation’s shares, in the form of a declaration
19 or payment of a dividend, a purchase, redemption or other acquisition of shares, a distribution of
20 indebtedness, or otherwise.

21 (8) “Document” means:

22 (a) A medium that embodies information in tangible form, including any writing or written in-
23 strument; or

24 (b) An electronic medium that embodies information that a person may retain, retrieve and re-
25 produce, in tangible form or otherwise, by means of an automated process that is used in conven-
26 tional commercial practice, except as otherwise provided in ORS 60.034 (4)(c).

27 (9) “Domestic limited liability company” means an entity that is an unincorporated association
28 that has one or more members and that is organized under ORS chapter 63 **or, if appropriate,**
29 **under sections 1 to 125 of this 2025 Act.**

30 (10) “Domestic nonprofit corporation” means a corporation not for profit that is incorporated
31 under ORS chapter 65.

32 (11) “Domestic professional corporation” means a corporation that is organized under ORS
33 chapter 58 for the purpose of rendering professional services and for the purposes provided under
34 ORS chapter 58.

35 (12) “Electronic notice revocation” means a notice in which a person states that the person will
36 not accept delivery of certain communications by means of electronic transmission.

37 (13) “Electronic signature” has the meaning given that term in ORS 84.004.

38 (14) “Electronic transmission” means a form or process of communication that does not directly
39 involve physically transferring paper or another tangible medium and that enables a recipient to
40 retain, retrieve and reproduce information by means of an automated process that is used in con-
41 ventional commercial practice, except as provided in ORS 60.034 (4)(c).

42 (15) “Employee” includes an officer but not a director, unless the director accepts duties that
43 make the director also an employee.

44 (16) “Entity” means a corporation, foreign corporation, nonprofit corporation, profit or nonprofit
45 unincorporated association, business trust, partnership, two or more persons that have a joint or

1 common economic interest, any state, the United States, a federally recognized Native American or
2 American Indian tribal government and any foreign government.

3 (17) "Foreign corporation" means a corporation for profit that is incorporated under laws other
4 than the laws of the state.

5 (18) "Foreign limited liability company" means an entity that is an unincorporated association
6 organized under laws other than the laws of the state and that is organized under a statute under
7 which an association may be formed that affords to each of the entity's members limited liability
8 with respect to liabilities of the entity.

9 (19) "Foreign nonprofit corporation" means a corporation not for profit that is organized under
10 laws other than the laws of the state.

11 (20) "Foreign professional corporation" means a professional corporation that is organized under
12 laws other than the laws of the state.

13 (21) "Governmental subdivision" includes an authority, county, district and municipality.

14 (22) "Individual" means a natural person or the estate of an incompetent individual or a de-
15 ceased individual.

16 (23) "Office," when used to refer to the administrative unit directed by the Secretary of State,
17 means the office of the Secretary of State.

18 (24) "Person" means an individual or entity.

19 (25)(a) "Principal office" means the physical street address of an office, in or out of this state,
20 where the principal executive offices of a domestic or foreign corporation are located and designated
21 in the annual report or in the application for authority to transact business in this state.

22 (b) "Principal office" does not include a commercial mail receiving agency, a mail forwarding
23 business or a virtual office.

24 (26) "Proceeding" means a civil, criminal, administrative or investigatory action.

25 (27) "Record date" means the date established under this chapter on which a corporation de-
26 termines the identity of the corporation's shareholders and their shareholdings for purposes of this
27 chapter.

28 (28) "Remote communication" means any method by which a person that is not physically pres-
29 ent at the location at which a meeting occurs may nevertheless hear or otherwise communicate at
30 substantially the same time with other persons at the meeting and have access to materials neces-
31 sary to participate or vote in the meeting to the extent of the person's authorization to participate
32 or vote.

33 (29) "Share" means a unit into which the proprietary interest in a corporation is divided.

34 (30) "Shareholder" means a person in whose name a share is registered in the records of a
35 corporation or the beneficial owner of a share to the extent of the rights granted by a nominee
36 certificate on file with a corporation.

37 (31) "Shell entity" means an entity that has the characteristics described in ORS 60.661
38 (1)(a)(C)(i).

39 (32) "Sign" means to indicate a present intent to authenticate or adopt a document by:

40 (a) Affixing a symbol to the document;

41 (b) Inscribing or affixing a manual, facsimile or conformed signature on the document; or

42 (c) Attaching to, or logically associating with, an electronic transmission any electronic sound,
43 symbol or process, including an electronic signature.

44 (33) "Signature" means any embodiment of a person's intent to sign a document.

45 (34) "Single voting group" means a voting group, the shares of which are entitled by the articles

1 of incorporation or this chapter to vote generally on a matter.

2 (35) "State," when referring to a part of the United States, means a state, commonwealth, ter-
3 ritory or insular possession of the United States and the agencies and governmental subdivisions
4 of the state, commonwealth, territory or insular possession.

5 (36) "Subscriber" means a person who subscribes for shares in a corporation, whether before
6 or after incorporation.

7 (37) "United States" means the federal government or a district, authority, bureau, commission,
8 department or any other agency of the United States.

9 (38) "Voting group" means all shares of one or more classes or series that under the articles
10 of incorporation or this chapter are entitled to vote and be counted together collectively on a matter
11 at a meeting of shareholders.

12 (39) "Written" means embodied as a document.

13 **SECTION 157.** ORS 60.001, as amended by section 156 of this 2025 Act, is amended to read:

14 60.001. As used in this chapter:

15 (1) "Anniversary" means the day each year that is exactly one or more years after:

16 (a) The date on which the Secretary of State files the articles of incorporation for a domestic
17 corporation.

18 (b) The date on which the Secretary of State files an application for authority to transact busi-
19 ness for a foreign corporation.

20 (2) "Articles of incorporation" means the articles described in ORS 60.047, amended and restated
21 articles of incorporation, articles of conversion or articles of merger.

22 (3) "Authorized shares" means the shares of all classes that a domestic or foreign corporation
23 is authorized to issue.

24 (4) "Conspicuous" means written, printed, typed, displayed or otherwise presented so that a
25 reasonable person against whom a writing is to operate should have noticed the writing as a con-
26 sequence of a use of a method to draw attention to the writing, such as italics, boldface, contrasting
27 color, capitalization or underlining.

28 (5) "Corporation" or "domestic corporation" means a corporation for profit that is incorporated
29 under or subject to the provisions of this chapter and that is not a foreign corporation.

30 (6) "Delivery" means any method of delivery used in conventional commercial practice, including
31 by hand, mail, commercial delivery and, in accordance with ORS 60.034, electronic transmission.

32 (7) "Distribution" means a direct or indirect transfer of money or other property, except of a
33 corporation's own shares, or a corporation's incurrence of indebtedness to or for the benefit of the
34 corporation's shareholders in respect of any of the corporation's shares, in the form of a declaration
35 or payment of a dividend, a purchase, redemption or other acquisition of shares, a distribution of
36 indebtedness, or otherwise.

37 (8) "Document" means:

38 (a) A medium that embodies information in tangible form, including any writing or written in-
39 strument; or

40 (b) An electronic medium that embodies information that a person may retain, retrieve and re-
41 produce, in tangible form or otherwise, by means of an automated process that is used in conven-
42 tional commercial practice, except as otherwise provided in ORS 60.034 (4)(c).

43 (9) "Domestic limited liability company" means an entity that is an unincorporated association
44 that has one or more members and that is organized under [*ORS chapter 63 or, if appropriate,*
45 *under*] sections 1 to 125 of this 2025 Act.

1 (10) "Domestic nonprofit corporation" means a corporation not for profit that is incorporated
2 under ORS chapter 65.

3 (11) "Domestic professional corporation" means a corporation that is organized under ORS
4 chapter 58 for the purpose of rendering professional services and for the purposes provided under
5 ORS chapter 58.

6 (12) "Electronic notice revocation" means a notice in which a person states that the person will
7 not accept delivery of certain communications by means of electronic transmission.

8 (13) "Electronic signature" has the meaning given that term in ORS 84.004.

9 (14) "Electronic transmission" means a form or process of communication that does not directly
10 involve physically transferring paper or another tangible medium and that enables a recipient to
11 retain, retrieve and reproduce information by means of an automated process that is used in con-
12 ventional commercial practice, except as provided in ORS 60.034 (4)(c).

13 (15) "Employee" includes an officer but not a director, unless the director accepts duties that
14 make the director also an employee.

15 (16) "Entity" means a corporation, foreign corporation, nonprofit corporation, profit or nonprofit
16 unincorporated association, business trust, partnership, two or more persons that have a joint or
17 common economic interest, any state, the United States, a federally recognized Native American or
18 American Indian tribal government and any foreign government.

19 (17) "Foreign corporation" means a corporation for profit that is incorporated under laws other
20 than the laws of the state.

21 (18) "Foreign limited liability company" means an entity that is an unincorporated association
22 organized under laws other than the laws of the state and that is organized under a statute under
23 which an association may be formed that affords to each of the entity's members limited liability
24 with respect to liabilities of the entity.

25 (19) "Foreign nonprofit corporation" means a corporation not for profit that is organized under
26 laws other than the laws of the state.

27 (20) "Foreign professional corporation" means a professional corporation that is organized under
28 laws other than the laws of the state.

29 (21) "Governmental subdivision" includes an authority, county, district and municipality.

30 (22) "Individual" means a natural person or the estate of an incompetent individual or a de-
31 ceased individual.

32 (23) "Office," when used to refer to the administrative unit directed by the Secretary of State,
33 means the office of the Secretary of State.

34 (24) "Person" means an individual or entity.

35 (25)(a) "Principal office" means the physical street address of an office, in or out of this state,
36 where the principal executive offices of a domestic or foreign corporation are located and designated
37 in the annual report or in the application for authority to transact business in this state.

38 (b) "Principal office" does not include a commercial mail receiving agency, a mail forwarding
39 business or a virtual office.

40 (26) "Proceeding" means a civil, criminal, administrative or investigatory action.

41 (27) "Record date" means the date established under this chapter on which a corporation de-
42 termines the identity of the corporation's shareholders and their shareholdings for purposes of this
43 chapter.

44 (28) "Remote communication" means any method by which a person that is not physically pres-
45 ent at the location at which a meeting occurs may nevertheless hear or otherwise communicate at

1 substantially the same time with other persons at the meeting and have access to materials neces-
 2 sary to participate or vote in the meeting to the extent of the person's authorization to participate
 3 or vote.

4 (29) "Share" means a unit into which the proprietary interest in a corporation is divided.

5 (30) "Shareholder" means a person in whose name a share is registered in the records of a
 6 corporation or the beneficial owner of a share to the extent of the rights granted by a nominee
 7 certificate on file with a corporation.

8 (31) "Shell entity" means an entity that has the characteristics described in ORS 60.661
 9 (1)(a)(C)(i).

10 (32) "Sign" means to indicate a present intent to authenticate or adopt a document by:

11 (a) Affixing a symbol to the document;

12 (b) Inscribing or affixing a manual, facsimile or conformed signature on the document; or

13 (c) Attaching to, or logically associating with, an electronic transmission any electronic sound,
 14 symbol or process, including an electronic signature.

15 (33) "Signature" means any embodiment of a person's intent to sign a document.

16 (34) "Single voting group" means a voting group, the shares of which are entitled by the articles
 17 of incorporation or this chapter to vote generally on a matter.

18 (35) "State," when referring to a part of the United States, means a state, commonwealth, ter-
 19 ritory or insular possession of the United States and the agencies and governmental subdivisions
 20 of the state, commonwealth, territory or insular possession.

21 (36) "Subscriber" means a person who subscribes for shares in a corporation, whether before
 22 or after incorporation.

23 (37) "United States" means the federal government or a district, authority, bureau, commission,
 24 department or any other agency of the United States.

25 (38) "Voting group" means all shares of one or more classes or series that under the articles
 26 of incorporation or this chapter are entitled to vote and be counted together collectively on a matter
 27 at a meeting of shareholders.

28 (39) "Written" means embodied as a document.

29 **SECTION 158. The amendments to ORS 60.001 by section 157 of this 2025 Act become**
 30 **operative on January 1, 2028.**

31 **SECTION 159.** ORS 60.470 is amended to read:

32 60.470. As used in ORS 60.470 to 60.501:

33 (1) "Business entity" means:

34 (a) Any of the following for-profit entities:

35 (A) A professional corporation organized under ORS chapter 58, predecessor law or comparable
 36 law of another jurisdiction;

37 (B) A corporation organized under this chapter, predecessor law or comparable law of another
 38 jurisdiction;

39 (C) A limited liability company organized under ORS chapter 63 **or, if appropriate, under**
 40 **sections 1 to 125 of this 2025 Act** or comparable law of another jurisdiction;

41 (D) A partnership organized in Oregon after January 1, 1998, or that is registered as a limited
 42 liability partnership, or that has elected to be governed by ORS chapter 67, and a partnership gov-
 43 erned by law of another jurisdiction that expressly provides for conversions and mergers; and

44 (E) A limited partnership organized under ORS chapter 70, predecessor law or comparable law
 45 of another jurisdiction; and

1 (b) A cooperative organized under ORS chapter 62, predecessor law or comparable law of an-
2 other jurisdiction.

3 (2) “Organizational document” means the following for an Oregon business entity or, for a for-
4 eign business entity, a document equivalent to the following:

5 (a) In the case of a corporation, professional corporation or cooperative, articles of incorpo-
6 ration;

7 (b) In the case of a limited liability company, articles of organization;

8 (c) In the case of a partnership, a partnership agreement and, for a limited liability partnership,
9 its registration; and

10 (d) In the case of a limited partnership, a certificate of limited partnership.

11 (3) “Owner” means a:

12 (a) Shareholder of a corporation or of a professional corporation;

13 (b) Member or shareholder of a cooperative;

14 (c) Member of a limited liability company;

15 (d) Partner of a partnership; and

16 (e) General partner or limited partner of a limited partnership.

17 **SECTION 160.** ORS 60.470, as amended by section 159 of this 2025 Act, is amended to read:
18 60.470. As used in ORS 60.470 to 60.501:

19 (1) “Business entity” means:

20 (a) Any of the following for-profit entities:

21 (A) A professional corporation organized under ORS chapter 58, predecessor law or comparable
22 law of another jurisdiction;

23 (B) A corporation organized under this chapter, predecessor law or comparable law of another
24 jurisdiction;

25 (C) A limited liability company organized under [*ORS chapter 63 or, if appropriate, under*]
26 sections 1 to 125 of this 2025 Act or comparable law of another jurisdiction;

27 (D) A partnership organized in Oregon after January 1, 1998, or that is registered as a limited
28 liability partnership, or that has elected to be governed by ORS chapter 67, and a partnership gov-
29 erned by law of another jurisdiction that expressly provides for conversions and mergers; and

30 (E) A limited partnership organized under ORS chapter 70, predecessor law or comparable law
31 of another jurisdiction; and

32 (b) A cooperative organized under ORS chapter 62, predecessor law or comparable law of an-
33 other jurisdiction.

34 (2) “Organizational document” means the following for an Oregon business entity or, for a for-
35 eign business entity, a document equivalent to the following:

36 (a) In the case of a corporation, professional corporation or cooperative, articles of incorpo-
37 ration;

38 (b) In the case of a limited liability company, articles of organization;

39 (c) In the case of a partnership, a partnership agreement and, for a limited liability partnership,
40 its registration; and

41 (d) In the case of a limited partnership, a certificate of limited partnership.

42 (3) “Owner” means a:

43 (a) Shareholder of a corporation or of a professional corporation;

44 (b) Member or shareholder of a cooperative;

45 (c) Member of a limited liability company;

- 1 (d) Partner of a partnership; and
- 2 (e) General partner or limited partner of a limited partnership.

3 **SECTION 161. The amendments to ORS 60.470 by section 160 of this 2025 Act become**
 4 **operative on January 1, 2028.**

5 **SECTION 162.** ORS 60.752 is amended to read:

6 60.752. (1) Except as otherwise provided in ORS 60.750 to 60.770, ORS 60.750 to 60.770 apply to:

7 (a) A corporation that states in the corporation’s articles of incorporation or articles of con-
 8 version that the corporation is subject to ORS 60.750 to 60.770;

9 (b) A limited liability company that states in the limited liability company’s articles of organ-
 10 ization or articles of conversion that the limited liability company is subject to ORS 60.750 to 60.770;

11 or

12 (c) A corporation or limited liability company that elects to become a benefit company under
 13 ORS 60.754.

14 (2)(a) Except as provided in paragraph (c) of this subsection, a benefit company that is a cor-
 15 poration incorporated under ORS chapter 60 is subject to ORS chapter 60 and to ORS 60.750 to
 16 60.770.

17 (b) Except as provided in paragraph (c) of this subsection, a benefit company that is a limited
 18 liability company organized under ORS chapter 63 **or, if appropriate, under sections 1 to 125 of**
 19 **this 2025 Act** is subject to ORS chapter 63 **or, as appropriate, to sections 1 to 125 of this 2025**
 20 **Act** and to ORS 60.750 to 60.770.

21 (c) To the extent that a provision of ORS 60.750 to 60.770 conflicts with a provision of ORS
 22 chapter 60 or 63 **or sections 1 to 125 of this 2025 Act**, a specific provision of ORS 60.750 to 60.770
 23 controls over a general provision of ORS chapter 60 or 63 **or sections 1 to 125 of this 2025 Act**.

24 (3) ORS 60.750 to 60.770 do not apply to a corporation that is not a benefit company or to a
 25 limited liability company that is not a benefit company.

26 **SECTION 163.** ORS 60.752, as amended by section 162 of this 2025 Act, is amended to read:

27 60.752. (1) Except as otherwise provided in ORS 60.750 to 60.770, ORS 60.750 to 60.770 apply to:

28 (a) A corporation that states in the corporation’s articles of incorporation or articles of con-
 29 version that the corporation is subject to ORS 60.750 to 60.770;

30 (b) A limited liability company that states in the limited liability company’s articles of organ-
 31 ization or articles of conversion that the limited liability company is subject to ORS 60.750 to 60.770;

32 or

33 (c) A corporation or limited liability company that elects to become a benefit company under
 34 ORS 60.754.

35 (2)(a) Except as provided in paragraph (c) of this subsection, a benefit company that is a cor-
 36 poration incorporated under ORS chapter 60 is subject to ORS chapter 60 and to ORS 60.750 to
 37 60.770.

38 (b) Except as provided in paragraph (c) of this subsection, a benefit company that is a limited
 39 liability company organized under [*ORS chapter 63 or, if appropriate, under*] sections 1 to 125 of this
 40 2025 Act is subject to [*ORS chapter 63 or, as appropriate, to*] sections 1 to 125 of this 2025 Act and
 41 to ORS 60.750 to 60.770.

42 (c) To the extent that a provision of ORS 60.750 to 60.770 conflicts with a provision of ORS
 43 chapter 60 or [*63 or*] sections 1 to 125 of this 2025 Act, a specific provision of ORS 60.750 to 60.770
 44 controls over a general provision of ORS chapter 60 [*or 63*] or sections 1 to 125 of this 2025 Act.

45 (3) ORS 60.750 to 60.770 do not apply to a corporation that is not a benefit company or to a

1 limited liability company that is not a benefit company.

2 **SECTION 164. The amendments to ORS 60.752 by section 163 of this 2025 Act become**
3 **operative on January 1, 2028.**

4 **SECTION 165.** ORS 60.754 is amended to read:

5 60.754. (1)(a) Notwithstanding ORS 60.074 (2), a corporation incorporated under ORS chapter 60
6 is a benefit company under ORS 60.750 to 60.770 if the corporation's articles of incorporation state
7 that the corporation is a benefit company subject to ORS 60.750 to 60.770.

8 (b) Notwithstanding ORS 63.074 (3) **or, as appropriate, section 10 (3) of this 2025 Act**, a lim-
9 ited liability company organized under ORS chapter 63 **or sections 1 to 125 of this 2025 Act** is a
10 benefit company under ORS 60.750 to 60.770 if the limited liability company's articles of organization
11 state that the limited liability company is a benefit company subject to ORS 60.750 to 60.770.

12 (2)(a) A corporation that is incorporated under ORS chapter 60 may become a benefit company
13 by amending the corporation's articles of incorporation to state, in addition to the requirements set
14 forth in ORS 60.047, that the corporation is a benefit company subject to ORS 60.750 to 60.770. The
15 amendment to the articles of incorporation must be approved by a minimum status vote.

16 (b) A limited liability company that is organized under ORS chapter 63 **or sections 1 to 125**
17 **of this 2025 Act** may become a benefit company by amending the limited liability company's articles
18 of organization to state, in addition to the requirements set forth in ORS 63.047 **or, if appropriate,**
19 **in section 24 of this 2025 Act**, that the limited liability company is a benefit company subject to
20 ORS 60.750 to 60.770. The amendment to the articles of organization must be approved by a minimum
21 status vote.

22 (3) A benefit company may be formed by means of a conversion if articles of conversion that
23 state that the converted entity will be a benefit company that is subject to ORS 60.750 to 60.770 are
24 approved by a minimum status vote.

25 (4) An entity that is not a benefit company may become a benefit company by merging or ex-
26 changing equity interests with a benefit company if the shareholders or holders of equity interests
27 of the entity that is not the benefit company approve, by a minimum status vote, a plan of merger
28 or a plan for exchanging equity interests with a benefit company under which the surviving entity
29 will be a benefit company.

30 (5) A benefit company may become an entity other than a benefit company only if an action to
31 remove from the articles of incorporation, articles of organization or articles of conversion the
32 provision that states that the entity is a benefit company subject to ORS 60.750 to 60.770 is approved
33 by a minimum status vote.

34 (6)(a) A plan for a benefit company must be approved by a minimum status vote if the plan
35 would:

36 (A) Merge the benefit company with an entity that is not a benefit company, if the surviving
37 entity would not be a benefit company;

38 (B) Provide for exchanging equity interests with an entity that is not a benefit company, if the
39 exchange would create an entity that is not a benefit company and that would hold substantially
40 all of the benefit company's assets;

41 (C) Convert the benefit company to an entity that is not a benefit company; or

42 (D) Otherwise cause ORS 60.750 to 60.770 not to apply to the benefit company.

43 (b) A sale, lease, exchange or other disposition of all or substantially all of a benefit company's
44 assets must be approved by a minimum status vote unless the benefit company conducts the sale,
45 lease, exchange or other disposition in the ordinary course of the benefit company's business.

1 (7) A provision of a benefit company's articles of incorporation, articles of organization, articles
2 of conversion or plan described in subsection (6) of this section may be inconsistent with or super-
3 sede a provision of ORS 60.750 to 60.770 only to the extent that the provision in the articles of in-
4 corporation, articles of organization, articles of conversion or plan imposes a more stringent
5 requirement on the benefit company, in keeping with the purposes set forth in ORS 60.750 to 60.770,
6 than a provision of ORS 60.750 to 60.770 imposes.

7 **SECTION 166.** ORS 60.754, as amended by section 165 of this 2025 Act, is amended to read:

8 60.754. (1)(a) Notwithstanding ORS 60.074 (2), a corporation incorporated under ORS chapter 60
9 is a benefit company under ORS 60.750 to 60.770 if the corporation's articles of incorporation state
10 that the corporation is a benefit company subject to ORS 60.750 to 60.770.

11 (b) Notwithstanding [*ORS 63.074 (3) or, as appropriate,*] section 10 (3) of this 2025 Act, a limited
12 liability company organized under [*ORS chapter 63 or*] sections 1 to 125 of this 2025 Act is a benefit
13 company under ORS 60.750 to 60.770 if the limited liability company's articles of organization state
14 that the limited liability company is a benefit company subject to ORS 60.750 to 60.770.

15 (2)(a) A corporation that is incorporated under ORS chapter 60 may become a benefit company
16 by amending the corporation's articles of incorporation to state, in addition to the requirements set
17 forth in ORS 60.047, that the corporation is a benefit company subject to ORS 60.750 to 60.770. The
18 amendment to the articles of incorporation must be approved by a minimum status vote.

19 (b) A limited liability company that is organized under [*ORS chapter 63 or*] sections 1 to 125 of
20 this 2025 Act may become a benefit company by amending the limited liability company's articles
21 of organization to state, in addition to the requirements set forth in [*ORS 63.047 or, if appropriate,*
22 *in*] section 24 of this 2025 Act, that the limited liability company is a benefit company subject to
23 ORS 60.750 to 60.770. The amendment to the articles of organization must be approved by a minimum
24 status vote.

25 (3) A benefit company may be formed by means of a conversion if articles of conversion that
26 state that the converted entity will be a benefit company that is subject to ORS 60.750 to 60.770 are
27 approved by a minimum status vote.

28 (4) An entity that is not a benefit company may become a benefit company by merging or ex-
29 changing equity interests with a benefit company if the shareholders or holders of equity interests
30 of the entity that is not the benefit company approve, by a minimum status vote, a plan of merger
31 or a plan for exchanging equity interests with a benefit company under which the surviving entity
32 will be a benefit company.

33 (5) A benefit company may become an entity other than a benefit company only if an action to
34 remove from the articles of incorporation, articles of organization or articles of conversion the
35 provision that states that the entity is a benefit company subject to ORS 60.750 to 60.770 is approved
36 by a minimum status vote.

37 (6)(a) A plan for a benefit company must be approved by a minimum status vote if the plan
38 would:

39 (A) Merge the benefit company with an entity that is not a benefit company, if the surviving
40 entity would not be a benefit company;

41 (B) Provide for exchanging equity interests with an entity that is not a benefit company, if the
42 exchange would create an entity that is not a benefit company and that would hold substantially
43 all of the benefit company's assets;

44 (C) Convert the benefit company to an entity that is not a benefit company; or

45 (D) Otherwise cause ORS 60.750 to 60.770 not to apply to the benefit company.

1 (b) A sale, lease, exchange or other disposition of all or substantially all of a benefit company's
2 assets must be approved by a minimum status vote unless the benefit company conducts the sale,
3 lease, exchange or other disposition in the ordinary course of the benefit company's business.

4 (7) A provision of a benefit company's articles of incorporation, articles of organization, articles
5 of conversion or plan described in subsection (6) of this section may be inconsistent with or super-
6 sede a provision of ORS 60.750 to 60.770 only to the extent that the provision in the articles of in-
7 corporation, articles of organization, articles of conversion or plan imposes a more stringent
8 requirement on the benefit company, in keeping with the purposes set forth in ORS 60.750 to 60.770,
9 than a provision of ORS 60.750 to 60.770 imposes.

10 **SECTION 167. The amendments to ORS 60.754 by section 166 of this 2025 Act become**
11 **operative on January 1, 2028.**

12 **SECTION 168.** ORS 60.756 is amended to read:

13 60.756. (1) Except as provided in subsections (2) and (3) of this section, an approval of an action
14 described in ORS 60.754 (2) to (6) is effective only if, in addition to any other applicable require-
15 ments, a majority of the interests that are entitled to vote on the action are voted to approve the
16 action.

17 (2) If an entity's governing documents or the provisions of ORS chapter 60 or 63 **or, if appro-**
18 **priate, sections 1 to 125 of this 2025 Act**, as applicable, require more than a majority vote or re-
19 quire each class or series to vote separately, approval of the action is effective only if the
20 requirement for the greater vote or for separate class or series voting is met.

21 (3)(a) If, as of January 1, 2014, an entity has shares that are listed on a national securities ex-
22 change or are regularly traded in a market that a member of a national or affiliated securities as-
23 sociation maintains, except as provided in paragraph (b) of this subsection, each class or series of
24 the entity's shares must separately meet the requirement to approve the action by two-thirds of the
25 shares that are entitled to vote.

26 (b) If the entity has gross revenue of \$200 million or less, each class or series of the entity's
27 shares must separately meet the requirement to approve the action by a majority of the shares that
28 are entitled to vote.

29 **SECTION 169.** ORS 60.756, as amended by section 168 of this 2025 Act, is amended to read:

30 60.756. (1) Except as provided in subsections (2) and (3) of this section, an approval of an action
31 described in ORS 60.754 (2) to (6) is effective only if, in addition to any other applicable require-
32 ments, a majority of the interests that are entitled to vote on the action are voted to approve the
33 action.

34 (2) If an entity's governing documents or the provisions of ORS chapter 60 or [63 *or, if appro-*
35 *priate,*] sections 1 to 125 of this 2025 Act, as applicable, require more than a majority vote or require
36 each class or series to vote separately, approval of the action is effective only if the requirement
37 for the greater vote or for separate class or series voting is met.

38 (3)(a) If, as of January 1, 2014, an entity has shares that are listed on a national securities ex-
39 change or are regularly traded in a market that a member of a national or affiliated securities as-
40 sociation maintains, except as provided in paragraph (b) of this subsection, each class or series of
41 the entity's shares must separately meet the requirement to approve the action by two-thirds of the
42 shares that are entitled to vote.

43 (b) If the entity has gross revenue of \$200 million or less, each class or series of the entity's
44 shares must separately meet the requirement to approve the action by a majority of the shares that
45 are entitled to vote.

1 **SECTION 170.** The amendments to ORS 60.756 by section 169 of this 2025 Act become
 2 operative on January 1, 2028.

3 **SECTION 171.** ORS 60.758 is amended to read:

4 60.758. (1) In addition to any purpose set forth in or adopted in accordance with ORS 60.047
 5 (2)(c)(A), 60.074, 63.047 or 63.074 **or section 10 or 24 of this 2025 Act**, a benefit company has the
 6 purpose of providing a general public benefit.

7 (2)(a) The articles of incorporation or articles of organization for a benefit company may identify
 8 a specific public benefit for the benefit company in addition to the purposes described in subsection
 9 (1) of this section. A benefit company's identification of a specific public benefit does not limit the
 10 benefit company's obligation to fulfill the purposes described in subsection (1) of this section.

11 (b) A benefit company may amend the articles of incorporation or articles of organization to add,
 12 amend or remove a specific public benefit in the manner otherwise provided for amending the benefit
 13 company's purpose in the articles of incorporation or articles of organization.

14 (3) Notwithstanding the requirement in ORS 58.076 that a professional corporation have ren-
 15 dering professional service as the professional corporation's sole purpose, a professional corporation
 16 that is a benefit company shall have the purposes set forth in ORS 58.076 and the purpose of pro-
 17 viding a general public benefit. The professional corporation may identify a specific public benefit
 18 in addition to the purposes described in this subsection.

19 **SECTION 172.** ORS 60.758, as amended by section 171 of this 2025 Act, is amended to read:

20 60.758. (1) In addition to any purpose set forth in or adopted in accordance with ORS 60.047
 21 (2)(c)(A)[,] **or 60.074[, 63.047 or 63.074]** or section 10 or 24 of this 2025 Act, a benefit company has
 22 the purpose of providing a general public benefit.

23 (2)(a) The articles of incorporation or articles of organization for a benefit company may identify
 24 a specific public benefit for the benefit company in addition to the purposes described in subsection
 25 (1) of this section. A benefit company's identification of a specific public benefit does not limit the
 26 benefit company's obligation to fulfill the purposes described in subsection (1) of this section.

27 (b) A benefit company may amend the articles of incorporation or articles of organization to add,
 28 amend or remove a specific public benefit in the manner otherwise provided for amending the benefit
 29 company's purpose in the articles of incorporation or articles of organization.

30 (3) Notwithstanding the requirement in ORS 58.076 that a professional corporation have ren-
 31 dering professional service as the professional corporation's sole purpose, a professional corporation
 32 that is a benefit company shall have the purposes set forth in ORS 58.076 and the purpose of pro-
 33 viding a general public benefit. The professional corporation may identify a specific public benefit
 34 in addition to the purposes described in this subsection.

35 **SECTION 173.** The amendments to ORS 60.758 by section 172 of this 2025 Act become
 36 operative on January 1, 2028.

37 **SECTION 174.** ORS 60.760 is amended to read:

38 60.760. (1) A governor of a benefit company shall act in the best interests of the benefit company
 39 and shall discharge the governor's duties as provided for a director of a corporation in ORS 60.357,
 40 or as provided for a member or manager of a limited liability company under ORS 63.155 **or section**
 41 **49 of this 2025 Act**, as appropriate for the benefit company's form of organization. In determining
 42 the best interests of the benefit company, the governor shall consider how an action of the governor
 43 or of the benefit company, or a decision not to act, will affect:

44 (a) The shareholders or members of the benefit company;

45 (b) The employees and work force of the benefit company and the employees and work force of

1 the benefit company's subsidiaries and suppliers;

2 (c) The benefit company's subsidiaries and suppliers;

3 (d) The interests the benefit company's customers have in receiving a portion of the general
4 public benefit or specific public benefit that the benefit company provides;

5 (e) The communities that the benefit company's activities affect including, but not limited to, the
6 communities in which the benefit company is located, operates or has offices or other facilities and
7 in which the benefit company's subsidiaries and suppliers are located, operate or have offices or
8 other facilities;

9 (f) The local and global environment;

10 (g) The short-term and long-term interests of the benefit company, including an interest in ben-
11 efits that might accrue from the benefit company's long-term plans and the possibility that the in-
12 terests of the benefit company are best served by keeping the benefit company independent; and

13 (h) The benefit company's ability to fulfill the benefit company's general public benefit purpose
14 and any specific public benefit identified in the benefit company's articles of incorporation or arti-
15 cles of organization.

16 (2) A governor of a benefit company may consider how an action of the governor or of the
17 benefit company, or decision not to act, will affect other interests the governor deems pertinent.

18 (3) A governor of a benefit company need not give a particular interest identified in subsection
19 (1) or (2) of this section priority over another interest identified in subsection (1) or (2) of this sec-
20 tion unless the benefit company's articles of incorporation or articles of organization identify an
21 interest to which the governor must give priority.

22 (4) A governor's consideration under this section of the effects of an action, or a decision not
23 to act, is in accordance with ORS 60.357 or 63.155 **or section 49 of this 2025 Act** as ORS 60.357
24 or 63.155 **or, as appropriate, section 49 of this 2025 Act** applies to the governor.

25 (5)(a) A governor of a benefit company is not personally liable for money damages as a conse-
26 quence of taking an action or deciding not to act if the governor discharged the governor's duties
27 in accordance with this section and with ORS 60.357 or 63.155 **or, as appropriate, section 49 of**
28 **this 2025 Act**, as appropriate for the benefit company's form of organization.

29 (b) A governor of a benefit company is not personally liable for money damages for the benefit
30 company's failure to provide a general public benefit or a specific public benefit.

31 (c) A governor of a benefit company does not have a duty to a person as a consequence of the
32 person's status as a beneficiary of the general public benefit or a specific public benefit that the
33 benefit company provides.

34 **SECTION 175.** ORS 60.760, as amended by section 174 of this 2025 Act, is amended to read:

35 60.760. (1) A governor of a benefit company shall act in the best interests of the benefit company
36 and shall discharge the governor's duties as provided for a director of a corporation in ORS 60.357,
37 or as provided for a member or manager of a limited liability company under [ORS 63.155 or] section
38 49 of this 2025 Act, as appropriate for the benefit company's form of organization. In determining
39 the best interests of the benefit company, the governor shall consider how an action of the governor
40 or of the benefit company, or a decision not to act, will affect:

41 (a) The shareholders or members of the benefit company;

42 (b) The employees and work force of the benefit company and the employees and work force of
43 the benefit company's subsidiaries and suppliers;

44 (c) The benefit company's subsidiaries and suppliers;

45 (d) The interests the benefit company's customers have in receiving a portion of the general

1 public benefit or specific public benefit that the benefit company provides;

2 (e) The communities that the benefit company's activities affect including, but not limited to, the
3 communities in which the benefit company is located, operates or has offices or other facilities and
4 in which the benefit company's subsidiaries and suppliers are located, operate or have offices or
5 other facilities;

6 (f) The local and global environment;

7 (g) The short-term and long-term interests of the benefit company, including an interest in ben-
8 efits that might accrue from the benefit company's long-term plans and the possibility that the in-
9 terests of the benefit company are best served by keeping the benefit company independent; and

10 (h) The benefit company's ability to fulfill the benefit company's general public benefit purpose
11 and any specific public benefit identified in the benefit company's articles of incorporation or arti-
12 cles of organization.

13 (2) A governor of a benefit company may consider how an action of the governor or of the
14 benefit company, or decision not to act, will affect other interests the governor deems pertinent.

15 (3) A governor of a benefit company need not give a particular interest identified in subsection
16 (1) or (2) of this section priority over another interest identified in subsection (1) or (2) of this sec-
17 tion unless the benefit company's articles of incorporation or articles of organization identify an
18 interest to which the governor must give priority.

19 (4) A governor's consideration under this section of the effects of an action, or a decision not
20 to act, is in accordance with ORS 60.357 or [63.155 or] section 49 of this 2025 Act as ORS 60.357
21 or [63.155 or, as appropriate,] section 49 of this 2025 Act applies to the governor.

22 (5)(a) A governor of a benefit company is not personally liable for money damages as a conse-
23 quence of taking an action or deciding not to act if the governor discharged the governor's duties
24 in accordance with this section and with ORS 60.357 or [63.155 or, as appropriate,] section 49 of this
25 2025 Act, as appropriate for the benefit company's form of organization.

26 (b) A governor of a benefit company is not personally liable for money damages for the benefit
27 company's failure to provide a general public benefit or a specific public benefit.

28 (c) A governor of a benefit company does not have a duty to a person as a consequence of the
29 person's status as a beneficiary of the general public benefit or a specific public benefit that the
30 benefit company provides.

31 **SECTION 176. The amendments to ORS 60.760 by section 175 of this 2025 Act become**
32 **operative on January 1, 2028.**

33 **SECTION 177.** ORS 60.764 is amended to read:

34 60.764. (1) A member that has management duties with respect to a benefit company, or an of-
35 ficer or a manager of a benefit company, shall act in the best interests of the benefit company and
36 shall discharge the member's, officer's or manager's duties as provided in ORS 60.374 and 60.377 or
37 in ORS 63.155 **or, if appropriate, as provided in section 49 of this 2025 Act**, as appropriate for
38 the benefit company's form of organization. In addition, the member, officer or manager shall con-
39 sider the effects of an action of the member, officer or manager or of the benefit company, or of a
40 decision not to act:

41 (a) To the extent the member, officer or manager has the discretion to take the action or to
42 decide not to act;

43 (b) If, in the member's, officer's or manager's reasonable judgment, the action or decision not to
44 act may have a material effect on the general public benefit or a specific public benefit the benefit
45 company provides; and

1 (c) In accordance with the provisions of ORS 60.760 (1) to (3) for a governor's consideration of
2 the effects of the action or the decision not to act.

3 (2) A member's, officer's or manager's consideration under this section of the effects of an
4 action, or a decision not to act, is in accordance with ORS 60.374 and 60.377 or with ORS 63.155
5 **or section 49 of this 2025 Act**, as appropriate for the benefit company's form of organization, as
6 those provisions apply to a member, officer or manager of a benefit company.

7 (3)(a) A member, officer or manager of a benefit company is not personally liable for money
8 damages as a consequence of taking an action or deciding not to act if the member, officer or
9 manager discharged the member's, officer's or manager's duties in accordance with this section and
10 with ORS 60.374 and 60.377 or with ORS 63.155 **or section 49 of this 2025 Act**, as appropriate for
11 the benefit company's form of organization.

12 (b) A member, officer or manager of a benefit company is not personally liable for money dam-
13 ages for the benefit company's failure to provide a general public benefit or a specific public benefit.

14 (c) A member, officer or manager of a benefit company does not have a duty to a person as a
15 consequence of the person's status as a beneficiary of the general public benefit or a specific public
16 benefit that the benefit company provides.

17 **SECTION 178.** ORS 60.764, as amended by section 177 of this 2025 Act, is amended to read:

18 60.764. (1) A member that has management duties with respect to a benefit company, or an of-
19 ficer or a manager of a benefit company, shall act in the best interests of the benefit company and
20 shall discharge the member's, officer's or manager's duties as provided in ORS 60.374 and 60.377 or
21 in [*ORS 63.155 or, if appropriate, as provided in*] section 49 of this 2025 Act, as appropriate for the
22 benefit company's form of organization. In addition, the member, officer or manager shall consider
23 the effects of an action of the member, officer or manager or of the benefit company, or of a decision
24 not to act:

25 (a) To the extent the member, officer or manager has the discretion to take the action or to
26 decide not to act;

27 (b) If, in the member's, officer's or manager's reasonable judgment, the action or decision not to
28 act may have a material effect on the general public benefit or a specific public benefit the benefit
29 company provides; and

30 (c) In accordance with the provisions of ORS 60.760 (1) to (3) for a governor's consideration of
31 the effects of the action or the decision not to act.

32 (2) A member's, officer's or manager's consideration under this section of the effects of an
33 action, or a decision not to act, is in accordance with ORS 60.374 and 60.377 [*or with ORS 63.155*]
34 or section 49 of this 2025 Act, as appropriate for the benefit company's form of organization, as
35 those provisions apply to a member, officer or manager of a benefit company.

36 (3)(a) A member, officer or manager of a benefit company is not personally liable for money
37 damages as a consequence of taking an action or deciding not to act if the member, officer or
38 manager discharged the member's, officer's or manager's duties in accordance with this section and
39 with ORS 60.374 and 60.377 or with [*ORS 63.155 or*] section 49 of this 2025 Act, as appropriate for
40 the benefit company's form of organization.

41 (b) A member, officer or manager of a benefit company is not personally liable for money dam-
42 ages for the benefit company's failure to provide a general public benefit or a specific public benefit.

43 (c) A member, officer or manager of a benefit company does not have a duty to a person as a
44 consequence of the person's status as a beneficiary of the general public benefit or a specific public
45 benefit that the benefit company provides.

1 **SECTION 179. The amendments to ORS 60.764 by section 178 of this 2025 Act become**
2 **operative on January 1, 2028.**

3 **SECTION 180.** ORS 62.015 is amended to read:

4 62.015. As used in this chapter, unless the context requires otherwise:

5 (1) “Anniversary” means the day each year exactly one or more years after:

6 (a) The date on which the Secretary of State files the articles of incorporation for a cooperative.

7 (b) The date on which the Secretary of State files an application for authority to transact busi-
8 ness for a foreign cooperative.

9 (2) “Articles” means articles of incorporation, articles of conversion or articles of merger.

10 (3) “Board” means board of directors.

11 (4) “Cooperative” means a cooperative corporation that is subject to the provisions of this
12 chapter.

13 (5) “Corporation” means a corporation that is not a cooperative.

14 (6) “Delivery” means a method of delivery that is used in conventional commercial practice and
15 includes hand delivery, mail delivery, commercial delivery and electronic transmission.

16 (7) “Domestic limited liability company” means an entity that is an unincorporated association
17 that has one or more members and that is organized under ORS chapter 63 **or sections 1 to 125**
18 **of this 2025 Act.**

19 (8) “Domestic nonprofit corporation” means a corporation not for profit that is incorporated
20 under ORS chapter 65.

21 (9) “Domestic professional corporation” means a corporation that is organized under ORS
22 chapter 58 for the purpose of rendering professional services and for the purposes provided under
23 ORS chapter 58.

24 (10) “Electronic signature” has the meaning given that term in ORS 84.004.

25 (11) “Electronic transmission” means a method of communicating information that:

26 (a) Does not directly involve a transfer of a physical object that embodies the communication;
27 and

28 (b) Enables the recipient to store, retrieve and reproduce the information.

29 (12) “Foreign cooperative” means a cooperative corporation that is organized under laws other
30 than the laws of this state.

31 (13) “Foreign corporation” means a corporation for profit that is incorporated under laws other
32 than the laws of this state.

33 (14) “Foreign limited liability company” means an entity that is an unincorporated association
34 organized under laws other than the laws of this state and that is organized under a statute under
35 which an association may be formed that affords to each of the entity’s members limited liability
36 with respect to liabilities of the entity.

37 (15) “Foreign nonprofit corporation” means a corporation not for profit that is organized under
38 laws other than the laws of this state.

39 (16) “Foreign professional corporation” means a professional corporation that is organized under
40 laws other than the laws of this state.

41 (17) “Member” means a person that is qualified and accepted for membership in a cooperative.

42 (18) “Membership stock” means any class of stock, continuous ownership of which is required
43 for membership in a cooperative.

44 (19) “Negotiate” means to confer with another in order to come to terms.

45 (20) “Person” means an individual, corporation, association, firm, partnership, joint stock com-

1 pany, cooperative or foreign cooperative.

2 (21) "Shareholder" means a holder of shares of capital stock of a cooperative other than mem-
3 bership stock.

4 (22) "Signature" means a manual, facsimile, conformed or electronic signature.

5 **SECTION 181.** ORS 62.015, as amended by section 180 of this 2025 Act, is amended to read:

6 62.015. As used in this chapter, unless the context requires otherwise:

7 (1) "Anniversary" means the day each year exactly one or more years after:

8 (a) The date on which the Secretary of State files the articles of incorporation for a cooperative.

9 (b) The date on which the Secretary of State files an application for authority to transact busi-
10 ness for a foreign cooperative.

11 (2) "Articles" means articles of incorporation, articles of conversion or articles of merger.

12 (3) "Board" means board of directors.

13 (4) "Cooperative" means a cooperative corporation that is subject to the provisions of this
14 chapter.

15 (5) "Corporation" means a corporation that is not a cooperative.

16 (6) "Delivery" means a method of delivery that is used in conventional commercial practice and
17 includes hand delivery, mail delivery, commercial delivery and electronic transmission.

18 (7) "Domestic limited liability company" means an entity that is an unincorporated association
19 that has one or more members and that is organized under [*ORS chapter 63 or*] sections 1 to 125
20 of this 2025 Act.

21 (8) "Domestic nonprofit corporation" means a corporation not for profit that is incorporated
22 under ORS chapter 65.

23 (9) "Domestic professional corporation" means a corporation that is organized under ORS
24 chapter 58 for the purpose of rendering professional services and for the purposes provided under
25 ORS chapter 58.

26 (10) "Electronic signature" has the meaning given that term in ORS 84.004.

27 (11) "Electronic transmission" means a method of communicating information that:

28 (a) Does not directly involve a transfer of a physical object that embodies the communication;
29 and

30 (b) Enables the recipient to store, retrieve and reproduce the information.

31 (12) "Foreign cooperative" means a cooperative corporation that is organized under laws other
32 than the laws of this state.

33 (13) "Foreign corporation" means a corporation for profit that is incorporated under laws other
34 than the laws of this state.

35 (14) "Foreign limited liability company" means an entity that is an unincorporated association
36 organized under laws other than the laws of this state and that is organized under a statute under
37 which an association may be formed that affords to each of the entity's members limited liability
38 with respect to liabilities of the entity.

39 (15) "Foreign nonprofit corporation" means a corporation not for profit that is organized under
40 laws other than the laws of this state.

41 (16) "Foreign professional corporation" means a professional corporation that is organized under
42 laws other than the laws of this state.

43 (17) "Member" means a person that is qualified and accepted for membership in a cooperative.

44 (18) "Membership stock" means any class of stock, continuous ownership of which is required
45 for membership in a cooperative.

1 (19) "Negotiate" means to confer with another in order to come to terms.

2 (20) "Person" means an individual, corporation, association, firm, partnership, joint stock com-
 3 pany, cooperative or foreign cooperative.

4 (21) "Shareholder" means a holder of shares of capital stock of a cooperative other than mem-
 5 bership stock.

6 (22) "Signature" means a manual, facsimile, conformed or electronic signature.

7 **SECTION 182. The amendments to ORS 62.015 by section 181 of this 2025 Act become**
 8 **operative on January 1, 2028.**

9 **SECTION 183.** ORS 62.605 is amended to read:

10 62.605. As used in this section and ORS 62.607 to 62.623:

11 (1) "Business entity" means:

12 (a) Any of the following for-profit entities:

13 (A) A professional corporation organized under ORS chapter 58, predecessor law or comparable
 14 law of another jurisdiction;

15 (B) A corporation organized under ORS chapter 60, predecessor law or comparable law of an-
 16 other jurisdiction;

17 (C) A limited liability company organized under ORS chapter 63 **or sections 1 to 125 of this**
 18 **2025 Act** or comparable law of another jurisdiction;

19 (D) A partnership organized in Oregon after January 1, 1998, or that is registered as a limited
 20 liability partnership, or that has elected to be governed by ORS chapter 67, and a partnership gov-
 21 erned by law of another jurisdiction that expressly provides for conversions and mergers; and

22 (E) A limited partnership organized under ORS chapter 70, predecessor law or comparable law
 23 of another jurisdiction; and

24 (b) A cooperative organized under this chapter, predecessor law or comparable law of another
 25 jurisdiction.

26 (2) "Organizational document" means the following for an Oregon business entity or, for a for-
 27 eign business entity, a document equivalent to the following:

28 (a) In the case of a corporation, professional corporation or cooperative, articles of incorpo-
 29 ration;

30 (b) In the case of a limited liability company, articles of organization;

31 (c) In the case of a partnership, a partnership agreement and, for a limited liability partnership,
 32 its registration; and

33 (d) In the case of a limited partnership, a certificate of limited partnership.

34 (3) "Owner" means a:

35 (a) Shareholder of a corporation or of a professional corporation;

36 (b) Member or shareholder of a cooperative;

37 (c) Member of a limited liability company;

38 (d) Partner of a partnership; and

39 (e) General partner or limited partner of a limited partnership.

40 **SECTION 184.** ORS 62.605, as amended by section 183 of this 2025 Act, is amended to read:

41 62.605. As used in this section and ORS 62.607 to 62.623:

42 (1) "Business entity" means:

43 (a) Any of the following for-profit entities:

44 (A) A professional corporation organized under ORS chapter 58, predecessor law or comparable
 45 law of another jurisdiction;

1 (B) A corporation organized under ORS chapter 60, predecessor law or comparable law of an-
2 other jurisdiction;

3 (C) A limited liability company organized under [*ORS chapter 63 or*] sections 1 to 125 of this
4 2025 Act or comparable law of another jurisdiction;

5 (D) A partnership organized in Oregon after January 1, 1998, or that is registered as a limited
6 liability partnership, or that has elected to be governed by ORS chapter 67, and a partnership gov-
7 erned by law of another jurisdiction that expressly provides for conversions and mergers; and

8 (E) A limited partnership organized under ORS chapter 70, predecessor law or comparable law
9 of another jurisdiction; and

10 (b) A cooperative organized under this chapter, predecessor law or comparable law of another
11 jurisdiction.

12 (2) “Organizational document” means the following for an Oregon business entity or, for a for-
13 eign business entity, a document equivalent to the following:

14 (a) In the case of a corporation, professional corporation or cooperative, articles of incorpo-
15 ration;

16 (b) In the case of a limited liability company, articles of organization;

17 (c) In the case of a partnership, a partnership agreement and, for a limited liability partnership,
18 its registration; and

19 (d) In the case of a limited partnership, a certificate of limited partnership.

20 (3) “Owner” means a:

21 (a) Shareholder of a corporation or of a professional corporation;

22 (b) Member or shareholder of a cooperative;

23 (c) Member of a limited liability company;

24 (d) Partner of a partnership; and

25 (e) General partner or limited partner of a limited partnership.

26 **SECTION 185. The amendments to ORS 62.605 by section 184 of this 2025 Act become**
27 **operative on January 1, 2028.**

28 **SECTION 186.** ORS 65.001 is amended to read:

29 65.001. As used in this chapter:

30 (1)(a) “Anniversary” means, except as provided in paragraph (b) of this subsection, the day each
31 year that is exactly one or more years after the date on which the Secretary of State files:

32 (A) The articles of incorporation for a domestic corporation; or

33 (B) An application for authority to transact business for a foreign corporation.

34 (b) “Anniversary” means February 28 if an event occurs that would otherwise cause an anni-
35 versary to fall on February 29.

36 (2) “Appointed director” means a director who is appointed by a person other than the board
37 of directors.

38 (3) “Approved by the members” or “approval by the members” means approved or ratified by
39 members entitled to vote on an issue through either:

40 (a) The affirmative vote of a majority of the votes of the members represented and voting at a
41 duly held meeting at which a quorum is present or the affirmative vote of a greater proportion in-
42 cluding the votes of any required proportion of the members of any class as the articles of incor-
43 poration, bylaws or this chapter may provide for specified types of member action; or

44 (b) A written ballot or written consent in conformity with this chapter.

45 (4) “Articles of incorporation” means the articles of incorporation described in ORS 65.047 and

1 corrected, amended and restated articles of incorporation.

2 (5) "Articles of merger" means the articles of merger described in ORS 65.491 and corrected,
3 amended and restated articles of merger.

4 (6) "Board of directors" means the individual or individuals who are vested with overall man-
5 agement of the affairs of a domestic corporation or foreign corporation, irrespective of the name
6 that designates the individual or individuals.

7 (7) "Bylaws" means a set of provisions for managing and regulating a corporation's affairs that
8 the corporation must adopt under ORS 65.061.

9 (8) "Class" means a group of memberships that have the same rights, including rights that are
10 determined by a formula that is applied uniformly, with respect to voting, dissolution, redemption
11 and transfer.

12 (9) "Contact information" means a street address, a mailing address or an electronic address at
13 which a member or director elects to receive notices and other messages from the corporation.

14 (10) "Corporation" means a domestic corporation or a foreign corporation.

15 (11) "Delegate" means a person who is elected or appointed to vote in a representative assembly
16 for electing a director or directors or on other matters.

17 (12) "Deliver" means to transfer by any method of delivery used in conventional commercial
18 practice, including delivery by hand, mail, commercial delivery and electronic transmission.

19 (13) "Designated director" means a director that the articles of incorporation or the bylaws
20 designate as a director in a manner that identifies a specific individual or a group of individuals.

21 (14) "Director" means an individual who acts as a member of the board of directors, who has
22 a right to vote on questions concerning the management and regulation of a corporation's affairs
23 and who is:

24 (a) An appointed director;

25 (b) A designated director; or

26 (c) A director elected by the incorporators, directors or members.

27 (15) "Distribution" means a payment to a person from the income or assets of a corporation,
28 other than a payment of reasonable value to a person for property received or services performed
29 or a payment that furthers the corporation's purposes.

30 (16) "Document" means:

31 (a) A medium that embodies information in tangible form, including any writing or written in-
32 strument; or

33 (b) An electronic medium that embodies information that a person may retain, retrieve and re-
34 produce, in tangible form or otherwise.

35 (17) "Domestic business corporation" means a for profit corporation that is incorporated under
36 ORS chapter 60.

37 (18) "Domestic corporation" means a nonprofit corporation that is not a foreign corporation and
38 that is incorporated under or subject to the provisions of this chapter.

39 (19) "Domestic limited liability company" means an unincorporated association that has one or
40 more members and that is organized under ORS chapter 63 **or sections 1 to 125 of this 2025 Act.**

41 (20) "Domestic professional corporation" means a corporation that is organized under ORS
42 chapter 58 for the purpose of rendering professional services and for the purposes provided under
43 ORS chapter 58.

44 (21) "Employee" means an individual that a corporation employs, including an officer or director
45 whom the corporation employs with compensation for services beyond the services of board mem-

1 bership.

2 (22) "Entity" means a domestic corporation, foreign corporation, business corporation and for-
3 eign business corporation, profit and nonprofit unincorporated association, corporation sole, business
4 trust, partnership, two or more persons that have a joint or common economic interest, any state,
5 the United States, a federally recognized Native American or American Indian tribal government
6 and any foreign government.

7 (23) "Foreign business corporation" means a for profit corporation that is incorporated under
8 laws other than the laws of the state.

9 (24) "Foreign corporation" means a corporation that is organized under laws other than the laws
10 of the state and that would be a nonprofit corporation if organized under the laws of the state.

11 (25) "Foreign limited liability company" means an unincorporated association that is organized
12 under laws other than the laws of the state and under a statute that permits an entity to organize
13 and that affords to each of the entity's members limited liability with respect to liabilities of the
14 entity.

15 (26) "Foreign professional corporation" means a professional corporation that is organized under
16 laws other than the laws of the state.

17 (27) "Gift instrument" means a record, including a record of a solicitation, under which a cor-
18 poration holds property or under which property is granted or transferred to the corporation.

19 (28) "Governmental subdivision" means a unit of government, including an authority, county,
20 district and municipality.

21 (29) "Individual" means a natural person, including the guardian of an incompetent individual.

22 (30)(a) "Member" means a person that is entitled, under a domestic corporation's or foreign
23 corporation's articles of incorporation or bylaws, to exercise any of the rights described in ORS
24 65.144 without regard to whether the articles of incorporation or bylaws identify the person as a
25 member or which other title or identity the domestic corporation or foreign corporation gives to the
26 person.

27 (b) "Member" does not include:

28 (A) A person that does not have the rights described in ORS 65.144 or that has only one or more
29 of the following rights:

30 (i) Rights granted to a delegate;

31 (ii) A right to designate or appoint a director or directors;

32 (iii) Rights that a director has;

33 (iv) A right to vote on only one occasion to elect a director or directors; or

34 (v) Rights that a person has as a consequence of holding evidence of indebtedness the corpo-
35 ration has issued or will issue.

36 (B) A person for which membership rights have been eliminated as provided in ORS 65.164 or
37 65.167.

38 (31) "Membership" means the rights and obligations a member has under this chapter.

39 (32) "Mutual benefit corporation" means a domestic corporation that is organized to serve and
40 operates primarily to serve the mutual interests of a group of persons, but is not a public benefit
41 corporation or religious corporation.

42 (33) "Nonprofit corporation" means a mutual benefit corporation, a public benefit corporation
43 or a religious corporation.

44 (34) "Notice" means a notice described in ORS 65.034.

45 (35) "Person" means an individual or an entity.

1 (36)(a) "Principal office" means the physical street address of the place, in or out of this state,
2 where the principal executive offices of a domestic corporation or foreign corporation are located
3 and that is designated as the principal office in the most recent annual report filed in accordance
4 with ORS 65.787 or, if no annual report is on file, in the articles of incorporation or the application
5 for authority to transact business in this state.

6 (b) "Principal office" does not include a commercial mail receiving agency, a mail forwarding
7 business or a virtual office.

8 (37) "Proceeding" means a civil, criminal, administrative or investigatory action.

9 (38) "Public benefit corporation" means a domestic corporation that:

10 (a) Is formed as a public benefit corporation under ORS 65.044 to 65.067, is designated as a
11 public benefit corporation by a statute, is recognized as tax exempt under section 501(c)(3) of the
12 Internal Revenue Code or is otherwise organized for a public or charitable purpose;

13 (b) Is restricted so that on dissolution the corporation must distribute the corporation's assets
14 to an organization that is organized for a public or charitable purpose, a religious corporation, the
15 United States, a state or a person that is recognized as exempt under section 501(c)(3) of the Inter-
16 nal Revenue Code of 1986; and

17 (c) Is not a religious corporation.

18 (39) "Record date" means the date established under ORS 65.131 to 65.177 or 65.201 to 65.254
19 on which a corporation determines the identity of the corporation's members and the members'
20 membership rights for the purposes of this chapter.

21 (40) "Religious corporation" means a domestic corporation that is formed as a religious corpo-
22 ration under ORS 65.044 to 65.067, is designated a religious corporation by a statute or is organized
23 primarily or exclusively for religious purposes.

24 (41) "Remote communication" means any method by which a person that is not physically pres-
25 ent at the location at which a meeting occurs may nevertheless hear or otherwise communicate at
26 substantially the same time with other persons at the meeting and have access to materials neces-
27 sary to participate or vote in the meeting to the extent of the person's authorization to participate
28 or vote.

29 (42) "Secretary," when used in the context of a corporate official, means the corporate officer
30 to whom the board of directors has delegated responsibility under ORS 65.371 for preparing the
31 minutes of the board of directors' meetings and membership meetings and for authenticating the
32 records of the corporation.

33 (43) "Shell entity" means an entity that has the characteristics described in ORS 65.661.

34 (44) "Sign" means to indicate a present intent to authenticate or adopt a document by:

35 (a) Affixing a symbol to the document;

36 (b) Inscribing or affixing a manual, facsimile or conformed signature on the document; or

37 (c) Attaching to, or logically associating with, an electronic transmission any electronic sound,
38 symbol or process, including an electronic signature.

39 (45) "State," when referring to a part of the United States, means a state, commonwealth, ter-
40 ritory or insular possession of the United States and the agencies and governmental subdivisions
41 of the state, commonwealth, territory or insular possession.

42 (46) "Uncompensated officer" means an individual who serves in an office without compensation
43 other than payment solely for actual expenses the individual incurs in performing duties of the
44 individual's office or payment for the average expenses the individual incurs over the course of a
45 year.

1 (47) “United States” means the federal government or a district, authority, bureau, commission,
2 department or any other agency of the United States.

3 (48) “Vote” means an authorization by written ballot or written consent, where permitted, or
4 by another method that a corporation specifies as an authorization.

5 (49) “Voting power” means the total number of votes entitled to be cast on an issue at the time
6 the determination of voting power is made, excluding a vote that is contingent upon a condition or
7 event occurring that has not occurred at the time.

8 (50) “Written” means embodied as a document.

9 **SECTION 187.** ORS 65.001, as amended by section 186 of this 2025 Act, is amended to read:
10 65.001. As used in this chapter:

11 (1)(a) “Anniversary” means, except as provided in paragraph (b) of this subsection, the day each
12 year that is exactly one or more years after the date on which the Secretary of State files:

13 (A) The articles of incorporation for a domestic corporation; or

14 (B) An application for authority to transact business for a foreign corporation.

15 (b) “Anniversary” means February 28 if an event occurs that would otherwise cause an anni-
16 versary to fall on February 29.

17 (2) “Appointed director” means a director who is appointed by a person other than the board
18 of directors.

19 (3) “Approved by the members” or “approval by the members” means approved or ratified by
20 members entitled to vote on an issue through either:

21 (a) The affirmative vote of a majority of the votes of the members represented and voting at a
22 duly held meeting at which a quorum is present or the affirmative vote of a greater proportion in-
23 cluding the votes of any required proportion of the members of any class as the articles of incor-
24 poration, bylaws or this chapter may provide for specified types of member action; or

25 (b) A written ballot or written consent in conformity with this chapter.

26 (4) “Articles of incorporation” means the articles of incorporation described in ORS 65.047 and
27 corrected, amended and restated articles of incorporation.

28 (5) “Articles of merger” means the articles of merger described in ORS 65.491 and corrected,
29 amended and restated articles of merger.

30 (6) “Board of directors” means the individual or individuals who are vested with overall man-
31 agement of the affairs of a domestic corporation or foreign corporation, irrespective of the name
32 that designates the individual or individuals.

33 (7) “Bylaws” means a set of provisions for managing and regulating a corporation’s affairs that
34 the corporation must adopt under ORS 65.061.

35 (8) “Class” means a group of memberships that have the same rights, including rights that are
36 determined by a formula that is applied uniformly, with respect to voting, dissolution, redemption
37 and transfer.

38 (9) “Contact information” means a street address, a mailing address or an electronic address at
39 which a member or director elects to receive notices and other messages from the corporation.

40 (10) “Corporation” means a domestic corporation or a foreign corporation.

41 (11) “Delegate” means a person who is elected or appointed to vote in a representative assembly
42 for electing a director or directors or on other matters.

43 (12) “Deliver” means to transfer by any method of delivery used in conventional commercial
44 practice, including delivery by hand, mail, commercial delivery and electronic transmission.

45 (13) “Designated director” means a director that the articles of incorporation or the bylaws

1 designate as a director in a manner that identifies a specific individual or a group of individuals.

2 (14) "Director" means an individual who acts as a member of the board of directors, who has
3 a right to vote on questions concerning the management and regulation of a corporation's affairs
4 and who is:

5 (a) An appointed director;

6 (b) A designated director; or

7 (c) A director elected by the incorporators, directors or members.

8 (15) "Distribution" means a payment to a person from the income or assets of a corporation,
9 other than a payment of reasonable value to a person for property received or services performed
10 or a payment that furthers the corporation's purposes.

11 (16) "Document" means:

12 (a) A medium that embodies information in tangible form, including any writing or written in-
13 strument; or

14 (b) An electronic medium that embodies information that a person may retain, retrieve and re-
15 produce, in tangible form or otherwise.

16 (17) "Domestic business corporation" means a for profit corporation that is incorporated under
17 ORS chapter 60.

18 (18) "Domestic corporation" means a nonprofit corporation that is not a foreign corporation and
19 that is incorporated under or subject to the provisions of this chapter.

20 (19) "Domestic limited liability company" means an unincorporated association that has one or
21 more members and that is organized under [*ORS chapter 63 or*] sections 1 to 125 of this 2025 Act.

22 (20) "Domestic professional corporation" means a corporation that is organized under ORS
23 chapter 58 for the purpose of rendering professional services and for the purposes provided under
24 ORS chapter 58.

25 (21) "Employee" means an individual that a corporation employs, including an officer or director
26 whom the corporation employs with compensation for services beyond the services of board mem-
27 bership.

28 (22) "Entity" means a domestic corporation, foreign corporation, business corporation and for-
29 eign business corporation, profit and nonprofit unincorporated association, corporation sole, business
30 trust, partnership, two or more persons that have a joint or common economic interest, any state,
31 the United States, a federally recognized Native American or American Indian tribal government
32 and any foreign government.

33 (23) "Foreign business corporation" means a for profit corporation that is incorporated under
34 laws other than the laws of the state.

35 (24) "Foreign corporation" means a corporation that is organized under laws other than the laws
36 of the state and that would be a nonprofit corporation if organized under the laws of the state.

37 (25) "Foreign limited liability company" means an unincorporated association that is organized
38 under laws other than the laws of the state and under a statute that permits an entity to organize
39 and that affords to each of the entity's members limited liability with respect to liabilities of the
40 entity.

41 (26) "Foreign professional corporation" means a professional corporation that is organized under
42 laws other than the laws of the state.

43 (27) "Gift instrument" means a record, including a record of a solicitation, under which a cor-
44 poration holds property or under which property is granted or transferred to the corporation.

45 (28) "Governmental subdivision" means a unit of government, including an authority, county,

1 district and municipality.

2 (29) "Individual" means a natural person, including the guardian of an incompetent individual.

3 (30)(a) "Member" means a person that is entitled, under a domestic corporation's or foreign
4 corporation's articles of incorporation or bylaws, to exercise any of the rights described in ORS
5 65.144 without regard to whether the articles of incorporation or bylaws identify the person as a
6 member or which other title or identity the domestic corporation or foreign corporation gives to the
7 person.

8 (b) "Member" does not include:

9 (A) A person that does not have the rights described in ORS 65.144 or that has only one or more
10 of the following rights:

11 (i) Rights granted to a delegate;

12 (ii) A right to designate or appoint a director or directors;

13 (iii) Rights that a director has;

14 (iv) A right to vote on only one occasion to elect a director or directors; or

15 (v) Rights that a person has as a consequence of holding evidence of indebtedness the corpo-
16 ration has issued or will issue.

17 (B) A person for which membership rights have been eliminated as provided in ORS 65.164 or
18 65.167.

19 (31) "Membership" means the rights and obligations a member has under this chapter.

20 (32) "Mutual benefit corporation" means a domestic corporation that is organized to serve and
21 operates primarily to serve the mutual interests of a group of persons, but is not a public benefit
22 corporation or religious corporation.

23 (33) "Nonprofit corporation" means a mutual benefit corporation, a public benefit corporation
24 or a religious corporation.

25 (34) "Notice" means a notice described in ORS 65.034.

26 (35) "Person" means an individual or an entity.

27 (36)(a) "Principal office" means the physical street address of the place, in or out of this state,
28 where the principal executive offices of a domestic corporation or foreign corporation are located
29 and that is designated as the principal office in the most recent annual report filed in accordance
30 with ORS 65.787 or, if no annual report is on file, in the articles of incorporation or the application
31 for authority to transact business in this state.

32 (b) "Principal office" does not include a commercial mail receiving agency, a mail forwarding
33 business or a virtual office.

34 (37) "Proceeding" means a civil, criminal, administrative or investigatory action.

35 (38) "Public benefit corporation" means a domestic corporation that:

36 (a) Is formed as a public benefit corporation under ORS 65.044 to 65.067, is designated as a
37 public benefit corporation by a statute, is recognized as tax exempt under section 501(c)(3) of the
38 Internal Revenue Code or is otherwise organized for a public or charitable purpose;

39 (b) Is restricted so that on dissolution the corporation must distribute the corporation's assets
40 to an organization that is organized for a public or charitable purpose, a religious corporation, the
41 United States, a state or a person that is recognized as exempt under section 501(c)(3) of the Inter-
42 nal Revenue Code of 1986; and

43 (c) Is not a religious corporation.

44 (39) "Record date" means the date established under ORS 65.131 to 65.177 or 65.201 to 65.254
45 on which a corporation determines the identity of the corporation's members and the members'

1 membership rights for the purposes of this chapter.

2 (40) "Religious corporation" means a domestic corporation that is formed as a religious corpo-
3 ration under ORS 65.044 to 65.067, is designated a religious corporation by a statute or is organized
4 primarily or exclusively for religious purposes.

5 (41) "Remote communication" means any method by which a person that is not physically pres-
6 ent at the location at which a meeting occurs may nevertheless hear or otherwise communicate at
7 substantially the same time with other persons at the meeting and have access to materials neces-
8 sary to participate or vote in the meeting to the extent of the person's authorization to participate
9 or vote.

10 (42) "Secretary," when used in the context of a corporate official, means the corporate officer
11 to whom the board of directors has delegated responsibility under ORS 65.371 for preparing the
12 minutes of the board of directors' meetings and membership meetings and for authenticating the
13 records of the corporation.

14 (43) "Shell entity" means an entity that has the characteristics described in ORS 65.661.

15 (44) "Sign" means to indicate a present intent to authenticate or adopt a document by:

16 (a) Affixing a symbol to the document;

17 (b) Inscribing or affixing a manual, facsimile or conformed signature on the document; or

18 (c) Attaching to, or logically associating with, an electronic transmission any electronic sound,
19 symbol or process, including an electronic signature.

20 (45) "State," when referring to a part of the United States, means a state, commonwealth, ter-
21 ritory or insular possession of the United States and the agencies and governmental subdivisions
22 of the state, commonwealth, territory or insular possession.

23 (46) "Uncompensated officer" means an individual who serves in an office without compensation
24 other than payment solely for actual expenses the individual incurs in performing duties of the
25 individual's office or payment for the average expenses the individual incurs over the course of a
26 year.

27 (47) "United States" means the federal government or a district, authority, bureau, commission,
28 department or any other agency of the United States.

29 (48) "Vote" means an authorization by written ballot or written consent, where permitted, or
30 by another method that a corporation specifies as an authorization.

31 (49) "Voting power" means the total number of votes entitled to be cast on an issue at the time
32 the determination of voting power is made, excluding a vote that is contingent upon a condition or
33 event occurring that has not occurred at the time.

34 (50) "Written" means embodied as a document.

35 **SECTION 188. The amendments to ORS 65.001 by section 187 of this 2025 Act become**
36 **operative on January 1, 2028.**

37 **SECTION 189.** ORS 67.340 is amended to read:

38 67.340. As used in ORS 67.340 to 67.365:

39 (1) "Business entity" means:

40 (a) Any of the following for-profit entities:

41 (A) A professional corporation organized under ORS chapter 58, predecessor law or comparable
42 law of another jurisdiction;

43 (B) A corporation organized under ORS chapter 60, predecessor law or comparable law of an-
44 other jurisdiction;

45 (C) A limited liability company organized under ORS chapter 63 **or sections 1 to 125 of this**

1 **2025 Act** or comparable law of another jurisdiction;

2 (D) A partnership organized in Oregon after January 1, 1998, or that is registered as a limited
3 liability partnership, or that has elected to be governed by this chapter, and a partnership governed
4 by law of another jurisdiction that expressly provides for conversions and mergers; and

5 (E) A limited partnership organized under ORS chapter 70, predecessor law or comparable law
6 of another jurisdiction; and

7 (b) A cooperative organized under ORS chapter 62, predecessor law or comparable law of an-
8 other jurisdiction.

9 (2) “General partner” means a partner in a partnership and a general partner in a limited
10 partnership.

11 (3) “Limited partner” means a limited partner in a limited partnership.

12 (4) “Limited partnership” means a limited partnership created under ORS chapter 70, predeces-
13 sor law or comparable law of another jurisdiction.

14 (5) “Organizational document” means the following for an Oregon business entity or, for a for-
15 eign business entity, a document equivalent to the following:

16 (a) In the case of a corporation, professional corporation or cooperative, articles of incorpo-
17 ration;

18 (b) In the case of a limited liability company, articles of organization;

19 (c) In the case of a partnership, a partnership agreement and, for a limited liability partnership,
20 its registration; and

21 (d) In the case of a limited partnership, a certificate of limited partnership.

22 (6) “Owner” means a:

23 (a) Shareholder of a corporation or of a professional corporation;

24 (b) Member or shareholder of a cooperative;

25 (c) Member of a limited liability company;

26 (d) Partner of a partnership; and

27 (e) Partner of a limited partnership.

28 (7) “Partner” includes both a general partner and a limited partner.

29 **SECTION 190.** ORS 67.340, as amended by section 189 of this 2025 Act, is amended to read:

30 67.340. As used in ORS 67.340 to 67.365:

31 (1) “Business entity” means:

32 (a) Any of the following for-profit entities:

33 (A) A professional corporation organized under ORS chapter 58, predecessor law or comparable
34 law of another jurisdiction;

35 (B) A corporation organized under ORS chapter 60, predecessor law or comparable law of an-
36 other jurisdiction;

37 (C) A limited liability company organized under [ORS chapter 63 or] sections 1 to 125 of this
38 2025 Act or comparable law of another jurisdiction;

39 (D) A partnership organized in Oregon after January 1, 1998, or that is registered as a limited
40 liability partnership, or that has elected to be governed by this chapter, and a partnership governed
41 by law of another jurisdiction that expressly provides for conversions and mergers; and

42 (E) A limited partnership organized under ORS chapter 70, predecessor law or comparable law
43 of another jurisdiction; and

44 (b) A cooperative organized under ORS chapter 62, predecessor law or comparable law of an-
45 other jurisdiction.

1 (2) "General partner" means a partner in a partnership and a general partner in a limited
2 partnership.

3 (3) "Limited partner" means a limited partner in a limited partnership.

4 (4) "Limited partnership" means a limited partnership created under ORS chapter 70, predeces-
5 sor law or comparable law of another jurisdiction.

6 (5) "Organizational document" means the following for an Oregon business entity or, for a for-
7 eign business entity, a document equivalent to the following:

8 (a) In the case of a corporation, professional corporation or cooperative, articles of incorpo-
9 ration;

10 (b) In the case of a limited liability company, articles of organization;

11 (c) In the case of a partnership, a partnership agreement and, for a limited liability partnership,
12 its registration; and

13 (d) In the case of a limited partnership, a certificate of limited partnership.

14 (6) "Owner" means a:

15 (a) Shareholder of a corporation or of a professional corporation;

16 (b) Member or shareholder of a cooperative;

17 (c) Member of a limited liability company;

18 (d) Partner of a partnership; and

19 (e) Partner of a limited partnership.

20 (7) "Partner" includes both a general partner and a limited partner.

21 **SECTION 191. The amendments to ORS 67.340 by section 190 of this 2025 Act become**
22 **operative on January 1, 2028.**

23 **SECTION 192.** ORS 70.005 is amended to read:

24 70.005. As used in this chapter:

25 (1) "Certificate of limited partnership" means the certificate referred to in ORS 70.075, and the
26 certificate as amended, articles of conversion and articles of merger.

27 (2) "Contribution" means any cash, property, services rendered, or a promissory note or other
28 binding obligation to contribute cash or property or to perform services, that a partner contributes
29 to a limited partnership in the capacity as a partner.

30 (3) "Corporation" or "domestic corporation" means a corporation for profit incorporated under
31 ORS chapter 60.

32 (4) "Domestic limited liability company" means an entity that is an unincorporated association
33 having one or more members and that is organized under ORS chapter 63 **or sections 1 to 125 of**
34 **this 2025 Act.**

35 (5) "Domestic nonprofit corporation" means a corporation not for profit incorporated under ORS
36 chapter 65.

37 (6) "Domestic professional corporation" means a corporation organized under ORS chapter 58
38 for the purpose of rendering professional services and for the purposes provided under ORS chapter
39 58.

40 (7) "Event of withdrawal of a general partner" means an event that causes a person to cease
41 to be a general partner as provided in ORS 70.180.

42 (8) "Foreign corporation" means a corporation for profit incorporated under laws other than the
43 laws of this state.

44 (9) "Foreign limited liability company" means an entity that is an unincorporated association
45 organized under laws other than the laws of this state and that is organized under a statute under

1 which an association may be formed that affords to each of the entity's members limited liability
2 with respect to liabilities of the entity.

3 (10) "Foreign limited partnership" means a partnership formed under laws other than the laws
4 of this state and having as partners one or more general partners and one or more limited partners.

5 (11) "Foreign nonprofit corporation" means a corporation not for profit organized under laws
6 other than the laws of this state.

7 (12) "Foreign professional corporation" means a professional corporation organized under laws
8 other than the laws of this state.

9 (13) "General partner" means a person who has been admitted to a limited partnership as a
10 general partner in accordance with the partnership agreement and named in the certificate of lim-
11 ited partnership as a general partner.

12 (14) "Limited partner" means a person who has been admitted to a limited partnership as a
13 limited partner in accordance with the partnership agreement.

14 (15) "Limited partnership" and "domestic limited partnership" mean a partnership formed by two
15 or more persons under the laws of this state and having one or more general partners and one or
16 more limited partners.

17 (16) "Partner" means a limited or general partner.

18 (17) "Partnership agreement" means any valid agreement, written or oral, of the partners as to
19 the affairs of a limited partnership and the conduct of the business of the limited partnership.

20 (18) "Partnership interest" means a partner's share of the profits and losses of a limited part-
21 nership and the right to receive distributions of partnership assets.

22 (19) "Person" means an individual, partnership, limited partnership (domestic or foreign), asso-
23 ciation or corporation.

24 **SECTION 193.** ORS 70.005, as amended by section 192 of this 2025 Act, is amended to read:

25 70.005. As used in this chapter:

26 (1) "Certificate of limited partnership" means the certificate referred to in ORS 70.075, and the
27 certificate as amended, articles of conversion and articles of merger.

28 (2) "Contribution" means any cash, property, services rendered, or a promissory note or other
29 binding obligation to contribute cash or property or to perform services, that a partner contributes
30 to a limited partnership in the capacity as a partner.

31 (3) "Corporation" or "domestic corporation" means a corporation for profit incorporated under
32 ORS chapter 60.

33 (4) "Domestic limited liability company" means an entity that is an unincorporated association
34 having one or more members and that is organized under [*ORS chapter 63 or*] sections 1 to 125 of
35 this 2025 Act.

36 (5) "Domestic nonprofit corporation" means a corporation not for profit incorporated under ORS
37 chapter 65.

38 (6) "Domestic professional corporation" means a corporation organized under ORS chapter 58
39 for the purpose of rendering professional services and for the purposes provided under ORS chapter
40 58.

41 (7) "Event of withdrawal of a general partner" means an event that causes a person to cease
42 to be a general partner as provided in ORS 70.180.

43 (8) "Foreign corporation" means a corporation for profit incorporated under laws other than the
44 laws of this state.

45 (9) "Foreign limited liability company" means an entity that is an unincorporated association

1 organized under laws other than the laws of this state and that is organized under a statute under
 2 which an association may be formed that affords to each of the entity's members limited liability
 3 with respect to liabilities of the entity.

4 (10) "Foreign limited partnership" means a partnership formed under laws other than the laws
 5 of this state and having as partners one or more general partners and one or more limited partners.

6 (11) "Foreign nonprofit corporation" means a corporation not for profit organized under laws
 7 other than the laws of this state.

8 (12) "Foreign professional corporation" means a professional corporation organized under laws
 9 other than the laws of this state.

10 (13) "General partner" means a person who has been admitted to a limited partnership as a
 11 general partner in accordance with the partnership agreement and named in the certificate of lim-
 12 ited partnership as a general partner.

13 (14) "Limited partner" means a person who has been admitted to a limited partnership as a
 14 limited partner in accordance with the partnership agreement.

15 (15) "Limited partnership" and "domestic limited partnership" mean a partnership formed by two
 16 or more persons under the laws of this state and having one or more general partners and one or
 17 more limited partners.

18 (16) "Partner" means a limited or general partner.

19 (17) "Partnership agreement" means any valid agreement, written or oral, of the partners as to
 20 the affairs of a limited partnership and the conduct of the business of the limited partnership.

21 (18) "Partnership interest" means a partner's share of the profits and losses of a limited part-
 22 nership and the right to receive distributions of partnership assets.

23 (19) "Person" means an individual, partnership, limited partnership (domestic or foreign), asso-
 24 ciation or corporation.

25 **SECTION 194. The amendments to ORS 70.005 by section 193 of this 2025 Act become**
 26 **operative on January 1, 2028.**

27 **SECTION 195.** ORS 70.500 is amended to read:

28 70.500. As used in ORS 70.500 to 70.540:

29 (1) "Business entity" means:

30 (a) Any of the following for-profit entities:

31 (A) A professional corporation organized under ORS chapter 58, predecessor law or comparable
 32 law of another jurisdiction;

33 (B) A corporation organized under ORS chapter 60, predecessor law or comparable law of an-
 34 other jurisdiction;

35 (C) A limited liability company organized under ORS chapter 63 **or sections 1 to 125 of this**
 36 **2025 Act** or comparable law of another jurisdiction;

37 (D) A partnership organized in Oregon after January 1, 1998, or that is registered as a limited
 38 liability partnership, or that has elected to be governed by ORS chapter 67, and a partnership gov-
 39 erned by law of another jurisdiction that expressly provides for conversions and mergers; and

40 (E) A limited partnership organized under this chapter, predecessor law or comparable law of
 41 another jurisdiction; and

42 (b) A cooperative organized under ORS chapter 62, predecessor law or comparable law of an-
 43 other jurisdiction.

44 (2) "Organizational document" means the following for an Oregon business entity or, for a for-
 45 eign business entity, a document equivalent to the following:

1 (a) In the case of a corporation, professional corporation or cooperative, articles of incorpo-
 2 ration;

3 (b) In the case of a limited liability company, articles of organization;

4 (c) In the case of a partnership, a partnership agreement and, for a limited liability partnership,
 5 its registration; and

6 (d) In the case of a limited partnership, a certificate of limited partnership.

7 (3) "Owner" means a:

8 (a) Shareholder of a corporation or of a professional corporation;

9 (b) Member or shareholder of a cooperative;

10 (c) Member of a limited liability company;

11 (d) Partner of a partnership; and

12 (e) General partner or limited partner of a limited partnership.

13 **SECTION 196.** ORS 70.500, as amended by section 195 of this 2025 Act, is amended to read:
 14 70.500. As used in ORS 70.500 to 70.540:

15 (1) "Business entity" means:

16 (a) Any of the following for-profit entities:

17 (A) A professional corporation organized under ORS chapter 58, predecessor law or comparable
 18 law of another jurisdiction;

19 (B) A corporation organized under ORS chapter 60, predecessor law or comparable law of an-
 20 other jurisdiction;

21 (C) A limited liability company organized under [*ORS chapter 63 or*] sections 1 to 125 of this
 22 2025 Act or comparable law of another jurisdiction;

23 (D) A partnership organized in Oregon after January 1, 1998, or that is registered as a limited
 24 liability partnership, or that has elected to be governed by ORS chapter 67, and a partnership gov-
 25 erned by law of another jurisdiction that expressly provides for conversions and mergers; and

26 (E) A limited partnership organized under this chapter, predecessor law or comparable law of
 27 another jurisdiction; and

28 (b) A cooperative organized under ORS chapter 62, predecessor law or comparable law of an-
 29 other jurisdiction.

30 (2) "Organizational document" means the following for an Oregon business entity or, for a for-
 31 eign business entity, a document equivalent to the following:

32 (a) In the case of a corporation, professional corporation or cooperative, articles of incorpo-
 33 ration;

34 (b) In the case of a limited liability company, articles of organization;

35 (c) In the case of a partnership, a partnership agreement and, for a limited liability partnership,
 36 its registration; and

37 (d) In the case of a limited partnership, a certificate of limited partnership.

38 (3) "Owner" means a:

39 (a) Shareholder of a corporation or of a professional corporation;

40 (b) Member or shareholder of a cooperative;

41 (c) Member of a limited liability company;

42 (d) Partner of a partnership; and

43 (e) General partner or limited partner of a limited partnership.

44 **SECTION 197. The amendments to ORS 70.500 by section 196 of this 2025 Act become**
 45 **operative on January 1, 2028.**

1 **SECTION 198.** ORS 93.269 is amended to read:

2 93.269. (1) An instrument that conveys, or contracts to convey, a fee simple interest in real
3 property may not cause, or purport to cause, a declaration or covenant to be filed or recorded
4 against the title to the real property if the declaration or covenant requires, or purports to require,
5 the payment of a fee, commission or other payment to the declarant or to another person specified
6 in the declaration or covenant, or to the declarant's or other person's successors or assigns, upon
7 a transfer of a fee simple interest in the property.

8 (2) A declaration or covenant that requires, or purports to require, the payment of a fee, com-
9 mission or other payment upon the transfer of a fee simple interest in real property to the declarant
10 or other person specified in the declaration or covenant, or to the declarant's or other person's
11 successors or assigns, upon a transfer of a fee simple interest in the property or that otherwise vi-
12 olates subsection (1) of this section, is void.

13 (3) Subsections (1) and (2) of this section do not apply to the following:

14 (a) An instrument that conveys or contracts to convey a fee simple interest in real property that
15 provides for a grantee to pay consideration to a grantor for the interest in real property being
16 transferred, including but not limited to any subsequent additional consideration for the property the
17 grantee must pay based upon any subsequent appreciation, development or sale of the property.

18 (b) A requirement in a mortgage loan agreement for paying mortgage principal, interest and fees
19 upon sale of the property by the mortgagee.

20 (c) A limited liability company, limited liability partnership, corporation, joint venture or part-
21 nership agreement in which a member, shareholder, joint venturer or partner contributes real
22 property to the limited liability company, limited liability partnership, corporation, joint venture or
23 partnership.

24 (d) An agreement that provides for a series of related transfers of the fee simple interest in a
25 real property, if the agreement identifies with specificity the price of the transferred interest, all
26 consideration given, party names and other essential terms for each transfer of interest that is part
27 of the series.

28 (e) An affordable housing covenant, servitude, easement, condition or restriction in a deed,
29 declaration, land sale contract, loan agreement, promissory note, trust deed, mortgage, security
30 agreement or other instrument, including but not limited to instruments created as provided under
31 ORS 456.270 to 456.295 if:

32 (A) The proceeds of any fee, commission or other payment to a declarant or to another person
33 specified in the instrument, or to the declarant's or other person's successors or assigns, are used
34 exclusively to benefit the property, or to support activities that directly benefit the residents of the
35 property, that is subject to the instrument; and

36 (B) The instrument is executed by:

37 (i) A public body as defined in ORS 174.109;

38 (ii) An agency of the United States;

39 (iii) A public benefit corporation, religious corporation or foreign corporation, all as defined in
40 ORS 65.001, if the purposes of the corporation include providing affordable housing for low income
41 households and moderate income households as those terms are defined in ORS 456.270;

42 (iv) A limited liability company, as defined in ORS 63.001 **or, if appropriate, in section 2 of**
43 **this 2025 Act**, that has a membership composed of one or more corporations described in sub-
44 subparagraph (iii) of this subparagraph;

45 (v) A consumer housing cooperative as defined in ORS 456.548;

1 (vi) A manufactured dwelling park nonprofit cooperative, as defined in ORS 62.803; or

2 (vii) A federally recognized Indian tribe.

3 (f) A requirement for the payment of a fee to:

4 (A) A homeowners association as defined in ORS 94.550;

5 (B) An association of unit owners as defined in ORS 100.005;

6 (C) A managing entity of a timeshare plan, as those terms are defined in ORS 94.803;

7 (D) Any other owners' association that is governed by recorded covenants, conditions and re-
8 strictions; or

9 (E) An agent for an association or managing entity described in subparagraphs (A) to (D) of this
10 paragraph.

11 (g) An agreement between a real estate licensee and a grantor or grantee that provides for any
12 commission payable to the real estate licensee for the transfer of the real property.

13 **SECTION 199.** ORS 93.269, as amended by section 198 of this 2025 Act, is amended to read:

14 93.269. (1) An instrument that conveys, or contracts to convey, a fee simple interest in real
15 property may not cause, or purport to cause, a declaration or covenant to be filed or recorded
16 against the title to the real property if the declaration or covenant requires, or purports to require,
17 the payment of a fee, commission or other payment to the declarant or to another person specified
18 in the declaration or covenant, or to the declarant's or other person's successors or assigns, upon
19 a transfer of a fee simple interest in the property.

20 (2) A declaration or covenant that requires, or purports to require, the payment of a fee, com-
21 mission or other payment upon the transfer of a fee simple interest in real property to the declarant
22 or other person specified in the declaration or covenant, or to the declarant's or other person's
23 successors or assigns, upon a transfer of a fee simple interest in the property or that otherwise vi-
24 olates subsection (1) of this section, is void.

25 (3) Subsections (1) and (2) of this section do not apply to the following:

26 (a) An instrument that conveys or contracts to convey a fee simple interest in real property that
27 provides for a grantee to pay consideration to a grantor for the interest in real property being
28 transferred, including but not limited to any subsequent additional consideration for the property the
29 grantee must pay based upon any subsequent appreciation, development or sale of the property.

30 (b) A requirement in a mortgage loan agreement for paying mortgage principal, interest and fees
31 upon sale of the property by the mortgagee.

32 (c) A limited liability company, limited liability partnership, corporation, joint venture or part-
33 nership agreement in which a member, shareholder, joint venturer or partner contributes real
34 property to the limited liability company, limited liability partnership, corporation, joint venture or
35 partnership.

36 (d) An agreement that provides for a series of related transfers of the fee simple interest in a
37 real property, if the agreement identifies with specificity the price of the transferred interest, all
38 consideration given, party names and other essential terms for each transfer of interest that is part
39 of the series.

40 (e) An affordable housing covenant, servitude, easement, condition or restriction in a deed,
41 declaration, land sale contract, loan agreement, promissory note, trust deed, mortgage, security
42 agreement or other instrument, including but not limited to instruments created as provided under
43 ORS 456.270 to 456.295 if:

44 (A) The proceeds of any fee, commission or other payment to a declarant or to another person
45 specified in the instrument, or to the declarant's or other person's successors or assigns, are used

1 exclusively to benefit the property, or to support activities that directly benefit the residents of the
2 property, that is subject to the instrument; and

3 (B) The instrument is executed by:

4 (i) A public body as defined in ORS 174.109;

5 (ii) An agency of the United States;

6 (iii) A public benefit corporation, religious corporation or foreign corporation, all as defined in
7 ORS 65.001, if the purposes of the corporation include providing affordable housing for low income
8 households and moderate income households as those terms are defined in ORS 456.270;

9 (iv) A limited liability company, as defined in [ORS 63.001 or, if appropriate, in] section 2 of this
10 2025 Act, that has a membership composed of one or more corporations described in sub-
11 subparagraph (iii) of this subparagraph;

12 (v) A consumer housing cooperative as defined in ORS 456.548;

13 (vi) A manufactured dwelling park nonprofit cooperative, as defined in ORS 62.803; or

14 (vii) A federally recognized Indian tribe.

15 (f) A requirement for the payment of a fee to:

16 (A) A homeowners association as defined in ORS 94.550;

17 (B) An association of unit owners as defined in ORS 100.005;

18 (C) A managing entity of a timeshare plan, as those terms are defined in ORS 94.803;

19 (D) Any other owners' association that is governed by recorded covenants, conditions and re-
20 strictions; or

21 (E) An agent for an association or managing entity described in subparagraphs (A) to (D) of this
22 paragraph.

23 (g) An agreement between a real estate licensee and a grantor or grantee that provides for any
24 commission payable to the real estate licensee for the transfer of the real property.

25 **SECTION 200.** The amendments to ORS 93.269 by section 199 of this 2025 Act become
26 operative on January 1, 2028.

27 **SECTION 201.** ORS 314.840 is amended to read:

28 314.840. (1) The Department of Revenue may:

29 (a) Furnish any taxpayer, representative authorized to represent the taxpayer under ORS 305.239
30 or person designated by the taxpayer under ORS 305.193, upon request of the taxpayer, represen-
31 tative or designee, with a copy of the taxpayer's income tax return filed with the department for
32 any year, or with a copy of any report filed by the taxpayer in connection with the return, or with
33 any other information the department considers necessary.

34 (b) Publish lists of taxpayers who are entitled to unclaimed tax refunds.

35 (c) Publish statistics so classified as to prevent the identification of income or any particulars
36 contained in any report or return.

37 (d) Disclose a taxpayer's name, address, telephone number, refund amount, amount due, Social
38 Security number, employer identification number or other taxpayer identification number to the ex-
39 tent necessary in connection with collection activities or the processing and mailing of correspond-
40 ence or of forms for any report or return required in the administration of any local tax under ORS
41 305.620 or any law imposing a tax upon or measured by net income.

42 (2) The department also may disclose and give access to information described in ORS 314.835
43 to:

44 (a) The Governor of the State of Oregon or the authorized representative of the Governor with
45 respect to an individual who is designated as being under consideration for appointment or reap-

1 pointment to an office or for employment in the office of the Governor. The information disclosed
2 shall be confined to whether the individual:

3 (A) Has filed returns with respect to the taxes imposed by ORS chapter 316 for those of not
4 more than the three immediately preceding years for which the individual was required to file an
5 Oregon individual income tax return.

6 (B) Has failed to pay any tax within 30 days from the date of mailing of a deficiency notice or
7 otherwise respond to a deficiency notice within 30 days of its mailing.

8 (C) Has been assessed any penalty under the Oregon personal income tax laws and the nature
9 of the penalty.

10 (D) Has been or is under investigation for possible criminal offenses under the Oregon personal
11 income tax laws. Information disclosed pursuant to this paragraph shall be used only for the purpose
12 of making the appointment, reappointment or decision to employ or not to employ the individual in
13 the office of the Governor.

14 (b) An officer or employee of the Oregon Department of Administrative Services duly authorized
15 or employed to prepare revenue estimates, or a person contracting with the Oregon Department of
16 Administrative Services to prepare revenue estimates, in the preparation of revenue estimates re-
17 quired for the Governor's budget under ORS 291.201 to 291.224, or required for submission to the
18 Emergency Board or the Joint Interim Committee on Ways and Means, or if the Legislative As-
19 sembly is in session, to the Joint Committee on Ways and Means, and to the Legislative Revenue
20 Officer or Legislative Fiscal Officer under ORS 291.342, 291.348 and 291.445. The Department of
21 Revenue shall disclose and give access to the information described in ORS 314.835 for the purposes
22 of this paragraph only if:

23 (A) The request for information is made in writing, specifies the purposes for which the request
24 is made and is signed by an authorized representative of the Oregon Department of Administrative
25 Services. The form for request for information shall be prescribed by the Oregon Department of
26 Administrative Services and approved by the Director of the Department of Revenue.

27 (B) The officer, employee or person receiving the information does not remove from the premises
28 of the Department of Revenue any materials that would reveal the identity of a personal or corpo-
29 rate taxpayer.

30 (c) The Commissioner of Internal Revenue or authorized representative, for tax administration
31 and compliance purposes only.

32 (d) For tax administration and compliance purposes, the proper officer or authorized represen-
33 tative of any of the following entities that has or is governed by a provision of law that meets the
34 requirements of any applicable provision of the Internal Revenue Code as to confidentiality:

35 (A) A state;

36 (B) A city, county or other political subdivision of a state;

37 (C) The District of Columbia; or

38 (D) An association established exclusively to provide services to federal, state or local taxing
39 authorities.

40 (e) The Multistate Tax Commission or its authorized representatives, for tax administration and
41 compliance purposes only. The Multistate Tax Commission may make the information available to
42 the Commissioner of Internal Revenue or the proper officer or authorized representative of any
43 governmental entity described in and meeting the qualifications of paragraph (d) of this subsection.

44 (f) The Attorney General, assistants and employees in the Department of Justice, or other legal
45 representative of the State of Oregon, to the extent the department deems disclosure or access

1 necessary for the performance of the duties of advising or representing the department pursuant to
2 ORS 180.010 to 180.240 and the tax laws of the state.

3 (g) Employees of the State of Oregon, other than of the Department of Revenue or Department
4 of Justice, to the extent the department deems disclosure or access necessary for such employees
5 to perform their duties under contracts or agreements between the department and any other de-
6 partment, agency or subdivision of the State of Oregon, in the department's administration of the
7 tax laws.

8 (h) Other persons, partnerships, corporations and other legal entities, and their employees, to
9 the extent the department deems disclosure or access necessary for the performance of such others'
10 duties under contracts or agreements between the department and such legal entities, in the
11 department's administration of the tax laws.

12 (i) The Legislative Revenue Officer or authorized representatives upon compliance with ORS
13 173.850. Such officer or representative shall not remove from the premises of the department any
14 materials that would reveal the identity of any taxpayer or any other person.

15 (j) The Department of Consumer and Business Services, to the extent the department requires
16 such information to determine whether it is appropriate to adjust those workers' compensation
17 benefits the amount of which is based pursuant to ORS chapter 656 on the amount of wages or
18 earned income received by an individual.

19 (k) Any agency of the State of Oregon, or any person, or any officer or employee of such agency
20 or person to whom disclosure or access is given by state law and not otherwise referred to in this
21 section, including but not limited to the Secretary of State as Auditor of Public Accounts under
22 Article VI, section 2, of the Oregon Constitution; the Department of Human Services pursuant to
23 ORS 412.094; the Division of Child Support of the Department of Justice and district attorney re-
24 garding cases for which they are providing support enforcement services under ORS 25.080; the
25 State Board of Tax Practitioners, pursuant to ORS 673.710; and the Oregon Board of Accountancy,
26 pursuant to ORS 673.415.

27 (L) The Director of the Department of Consumer and Business Services to determine that a
28 person complies with ORS chapter 656 and the Director of the Employment Department to determine
29 that a person complies with ORS chapter 657, the following employer information:

30 (A) Identification numbers.

31 (B) Names and addresses.

32 (C) Inception date as employer.

33 (D) Nature of business.

34 (E) Entity changes.

35 (F) Date of last payroll.

36 (m) The Director of the Oregon Health Authority to determine that a person has the ability to
37 pay for care that includes services provided by the Oregon State Hospital, or the Oregon Health
38 Authority to collect any unpaid cost of care as provided by ORS chapter 179.

39 (n) Employees of the Employment Department:

40 (A) To the extent the Department of Revenue deems disclosure or access to information on a
41 combined tax report filed under ORS 316.168 is necessary to performance of their duties in admin-
42 istering the tax imposed by ORS chapter 657; or

43 (B) For the purpose of detecting the occurrence of identity theft or fraud through the examina-
44 tion of the following taxpayer particulars:

45 (i) Individual taxpayer identification number.

- 1 (ii) Name, address and date of birth.
- 2 (iii) Employer name, employer identification number and amount of wages paid.
- 3 (iv) Self-employment income amount and source.
- 4 (v) Other particulars of the return as defined in ORS 314.835, at the discretion of the Director
5 of the Department of Revenue, on a case-by-case basis.
- 6 (o) The State Fire Marshal to assist the State Fire Marshal in carrying out duties, functions and
7 powers under ORS 453.307 to 453.414, the employer or agent name, address, telephone number and
8 standard industrial classification, if available.
- 9 (p) Employees of the Department of State Lands or State Treasurer for the purposes of returning
10 unclaimed property and identifying, locating and publishing lists of taxpayers entitled to unclaimed
11 refunds under ORS 98.302 to 98.436.
- 12 (q) In addition to the disclosure allowed under ORS 305.225, state or local law enforcement
13 agencies to assist in the investigation or prosecution of the following criminal activities:
- 14 (A) Mail theft of a check, in which case the information that may be disclosed shall be limited
15 to the stolen document, the name, address and taxpayer identification number of the payee, the
16 amount of the check and the date printed on the check.
- 17 (B) The counterfeiting, forging or altering of a check submitted by a taxpayer to the Department
18 of Revenue or issued by the Department of Revenue to a taxpayer, in which case the information
19 that may be disclosed shall be limited to the counterfeit, forged or altered document, the name, ad-
20 dress and taxpayer identification number of the payee, the amount of the check, the date printed
21 on the check and the altered name and address.
- 22 (r) The United States Postal Inspection Service or a federal law enforcement agency, including
23 but not limited to the United States Department of Justice, to assist in the investigation of the fol-
24 lowing criminal activities:
- 25 (A) Mail theft of a check, in which case the information that may be disclosed shall be limited
26 to the stolen document, the name, address and taxpayer identification number of the payee, the
27 amount of the check and the date printed on the check.
- 28 (B) The counterfeiting, forging or altering of a check submitted by a taxpayer to the Department
29 of Revenue or issued by the Department of Revenue to a taxpayer, in which case the information
30 that may be disclosed shall be limited to the counterfeit, forged or altered document, the name, ad-
31 dress and taxpayer identification number of the payee, the amount of the check, the date printed
32 on the check and the altered name and address.
- 33 (s) The United States Financial Management Service, for purposes of facilitating the offsets de-
34 scribed in ORS 305.612.
- 35 (t) A municipal corporation of this state for purposes of assisting the municipal corporation in
36 the administration of a tax of the municipal corporation that is imposed on or measured by income,
37 wages or net earnings from self-employment. Any disclosure under this paragraph may be made only
38 pursuant to a written agreement between the Department of Revenue and the municipal corporation
39 that ensures the confidentiality of the information disclosed.
- 40 (u) A consumer reporting agency, to the extent necessary to carry out the purposes of ORS
41 314.843.
- 42 (v) The Public Employees Retirement Board, to the extent necessary to carry out the purposes
43 of ORS 238.372 to 238.384, and to any public employer, to the extent necessary to carry out the
44 purposes of ORS 237.635 (3) and 237.637 (2).
- 45 (w) The Secretary of State for the purpose of initiating or supporting a recommendation under

1 ORS 60.032 (3) or 63.032 (3) **or section 66 of this 2025 Act** to administratively dissolve a corpo-
2 ration or limited liability company that the Director of the Department of Revenue determines has
3 failed to comply with applicable tax laws of the state.

4 (x)(A) A multijurisdictional information sharing organization formed with oversight by the
5 Internal Revenue Service to combat identity theft and fraud, if the Department of Revenue is a
6 member of the organization; and

7 (B) Tax preparation software vendors that are members of an organization described in subpar-
8 agraph (A) of this paragraph, if information described in ORS 314.835 is shared for the purpose of
9 investigating industry leads of potential identity theft or fraud.

10 (y) The State Treasurer, for the purpose of providing employer responses, as indicated on annual
11 withholding reports submitted to the Department of Revenue, about whether an employer offers a
12 qualified retirement savings plan as listed in ORS 178.215.

13 (z) The Oregon 529 Savings Board, for the purpose of facilitating the establishment of accounts
14 by personal income taxpayers under ORS 178.335 within the Oregon 529 Savings Network through
15 the use of income tax return forms.

16 (3)(a) Each officer or employee of the department and each person described or referred to in
17 subsection (2)(a), (b), (f) to (L), (n) to (q) or (w) of this section to whom disclosure or access to the
18 tax information is given under subsection (2) of this section or any other provision of state law,
19 prior to beginning employment or the performance of duties involving such disclosure or access,
20 shall be advised in writing of the provisions of ORS 314.835 and 314.991, relating to penalties for the
21 violation of ORS 314.835, and shall as a condition of employment or performance of duties execute
22 a certificate for the department, in a form prescribed by the department, stating in substance that
23 the person has read these provisions of law, that the person has had them explained and that the
24 person is aware of the penalties for the violation of ORS 314.835.

25 (b) The disclosure authorized in subsection (2)(r) of this section shall be made only after a
26 written agreement has been entered into between the Department of Revenue and the person de-
27 scribed in subsection (2)(r) of this section to whom disclosure or access to the tax information is
28 given, providing that:

29 (A) Any information described in ORS 314.835 that is received by the person pursuant to sub-
30 section (2)(r) of this section is confidential information that may not be disclosed, except to the ex-
31 tent necessary to investigate or prosecute the criminal activities described in subsection (2)(r) of
32 this section;

33 (B) The information shall be protected as confidential under applicable federal and state laws;
34 and

35 (C) The United States Postal Inspection Service or the federal law enforcement agency shall
36 give notice to the Department of Revenue of any request received under the federal Freedom of In-
37 formation Act, 5 U.S.C. 552, or other federal law relating to the disclosure of information.

38 (4) The Department of Revenue may recover the costs of furnishing the information described
39 in subsection (2)(L), (m) and (o) to (q) of this section from the respective agencies.

40 **SECTION 202.** ORS 314.840, as amended by section 201 of this 2025 Act, is amended to read:

41 314.840. (1) The Department of Revenue may:

42 (a) Furnish any taxpayer, representative authorized to represent the taxpayer under ORS 305.239
43 or person designated by the taxpayer under ORS 305.193, upon request of the taxpayer, represen-
44 tative or designee, with a copy of the taxpayer's income tax return filed with the department for
45 any year, or with a copy of any report filed by the taxpayer in connection with the return, or with

1 any other information the department considers necessary.

2 (b) Publish lists of taxpayers who are entitled to unclaimed tax refunds.

3 (c) Publish statistics so classified as to prevent the identification of income or any particulars
4 contained in any report or return.

5 (d) Disclose a taxpayer's name, address, telephone number, refund amount, amount due, Social
6 Security number, employer identification number or other taxpayer identification number to the ex-
7 tent necessary in connection with collection activities or the processing and mailing of correspond-
8 ence or of forms for any report or return required in the administration of any local tax under ORS
9 305.620 or any law imposing a tax upon or measured by net income.

10 (2) The department also may disclose and give access to information described in ORS 314.835
11 to:

12 (a) The Governor of the State of Oregon or the authorized representative of the Governor with
13 respect to an individual who is designated as being under consideration for appointment or reap-
14 pointment to an office or for employment in the office of the Governor. The information disclosed
15 shall be confined to whether the individual:

16 (A) Has filed returns with respect to the taxes imposed by ORS chapter 316 for those of not
17 more than the three immediately preceding years for which the individual was required to file an
18 Oregon individual income tax return.

19 (B) Has failed to pay any tax within 30 days from the date of mailing of a deficiency notice or
20 otherwise respond to a deficiency notice within 30 days of its mailing.

21 (C) Has been assessed any penalty under the Oregon personal income tax laws and the nature
22 of the penalty.

23 (D) Has been or is under investigation for possible criminal offenses under the Oregon personal
24 income tax laws. Information disclosed pursuant to this paragraph shall be used only for the purpose
25 of making the appointment, reappointment or decision to employ or not to employ the individual in
26 the office of the Governor.

27 (b) An officer or employee of the Oregon Department of Administrative Services duly authorized
28 or employed to prepare revenue estimates, or a person contracting with the Oregon Department of
29 Administrative Services to prepare revenue estimates, in the preparation of revenue estimates re-
30 quired for the Governor's budget under ORS 291.201 to 291.224, or required for submission to the
31 Emergency Board or the Joint Interim Committee on Ways and Means, or if the Legislative As-
32 sembly is in session, to the Joint Committee on Ways and Means, and to the Legislative Revenue
33 Officer or Legislative Fiscal Officer under ORS 291.342, 291.348 and 291.445. The Department of
34 Revenue shall disclose and give access to the information described in ORS 314.835 for the purposes
35 of this paragraph only if:

36 (A) The request for information is made in writing, specifies the purposes for which the request
37 is made and is signed by an authorized representative of the Oregon Department of Administrative
38 Services. The form for request for information shall be prescribed by the Oregon Department of
39 Administrative Services and approved by the Director of the Department of Revenue.

40 (B) The officer, employee or person receiving the information does not remove from the premises
41 of the Department of Revenue any materials that would reveal the identity of a personal or corpo-
42 rate taxpayer.

43 (c) The Commissioner of Internal Revenue or authorized representative, for tax administration
44 and compliance purposes only.

45 (d) For tax administration and compliance purposes, the proper officer or authorized represen-

1 tative of any of the following entities that has or is governed by a provision of law that meets the
2 requirements of any applicable provision of the Internal Revenue Code as to confidentiality:

3 (A) A state;

4 (B) A city, county or other political subdivision of a state;

5 (C) The District of Columbia; or

6 (D) An association established exclusively to provide services to federal, state or local taxing
7 authorities.

8 (e) The Multistate Tax Commission or its authorized representatives, for tax administration and
9 compliance purposes only. The Multistate Tax Commission may make the information available to
10 the Commissioner of Internal Revenue or the proper officer or authorized representative of any
11 governmental entity described in and meeting the qualifications of paragraph (d) of this subsection.

12 (f) The Attorney General, assistants and employees in the Department of Justice, or other legal
13 representative of the State of Oregon, to the extent the department deems disclosure or access
14 necessary for the performance of the duties of advising or representing the department pursuant to
15 ORS 180.010 to 180.240 and the tax laws of the state.

16 (g) Employees of the State of Oregon, other than of the Department of Revenue or Department
17 of Justice, to the extent the department deems disclosure or access necessary for such employees
18 to perform their duties under contracts or agreements between the department and any other de-
19 partment, agency or subdivision of the State of Oregon, in the department's administration of the
20 tax laws.

21 (h) Other persons, partnerships, corporations and other legal entities, and their employees, to
22 the extent the department deems disclosure or access necessary for the performance of such others'
23 duties under contracts or agreements between the department and such legal entities, in the
24 department's administration of the tax laws.

25 (i) The Legislative Revenue Officer or authorized representatives upon compliance with ORS
26 173.850. Such officer or representative shall not remove from the premises of the department any
27 materials that would reveal the identity of any taxpayer or any other person.

28 (j) The Department of Consumer and Business Services, to the extent the department requires
29 such information to determine whether it is appropriate to adjust those workers' compensation
30 benefits the amount of which is based pursuant to ORS chapter 656 on the amount of wages or
31 earned income received by an individual.

32 (k) Any agency of the State of Oregon, or any person, or any officer or employee of such agency
33 or person to whom disclosure or access is given by state law and not otherwise referred to in this
34 section, including but not limited to the Secretary of State as Auditor of Public Accounts under
35 Article VI, section 2, of the Oregon Constitution; the Department of Human Services pursuant to
36 ORS 412.094; the Division of Child Support of the Department of Justice and district attorney re-
37 garding cases for which they are providing support enforcement services under ORS 25.080; the
38 State Board of Tax Practitioners, pursuant to ORS 673.710; and the Oregon Board of Accountancy,
39 pursuant to ORS 673.415.

40 (L) The Director of the Department of Consumer and Business Services to determine that a
41 person complies with ORS chapter 656 and the Director of the Employment Department to determine
42 that a person complies with ORS chapter 657, the following employer information:

43 (A) Identification numbers.

44 (B) Names and addresses.

45 (C) Inception date as employer.

1 (D) Nature of business.

2 (E) Entity changes.

3 (F) Date of last payroll.

4 (m) The Director of the Oregon Health Authority to determine that a person has the ability to
5 pay for care that includes services provided by the Oregon State Hospital, or the Oregon Health
6 Authority to collect any unpaid cost of care as provided by ORS chapter 179.

7 (n) Employees of the Employment Department:

8 (A) To the extent the Department of Revenue deems disclosure or access to information on a
9 combined tax report filed under ORS 316.168 is necessary to performance of their duties in admin-
10 istering the tax imposed by ORS chapter 657; or

11 (B) For the purpose of detecting the occurrence of identity theft or fraud through the examina-
12 tion of the following taxpayer particulars:

13 (i) Individual taxpayer identification number.

14 (ii) Name, address and date of birth.

15 (iii) Employer name, employer identification number and amount of wages paid.

16 (iv) Self-employment income amount and source.

17 (v) Other particulars of the return as defined in ORS 314.835, at the discretion of the Director
18 of the Department of Revenue, on a case-by-case basis.

19 (o) The State Fire Marshal to assist the State Fire Marshal in carrying out duties, functions and
20 powers under ORS 453.307 to 453.414, the employer or agent name, address, telephone number and
21 standard industrial classification, if available.

22 (p) Employees of the Department of State Lands or State Treasurer for the purposes of returning
23 unclaimed property and identifying, locating and publishing lists of taxpayers entitled to unclaimed
24 refunds under ORS 98.302 to 98.436.

25 (q) In addition to the disclosure allowed under ORS 305.225, state or local law enforcement
26 agencies to assist in the investigation or prosecution of the following criminal activities:

27 (A) Mail theft of a check, in which case the information that may be disclosed shall be limited
28 to the stolen document, the name, address and taxpayer identification number of the payee, the
29 amount of the check and the date printed on the check.

30 (B) The counterfeiting, forging or altering of a check submitted by a taxpayer to the Department
31 of Revenue or issued by the Department of Revenue to a taxpayer, in which case the information
32 that may be disclosed shall be limited to the counterfeit, forged or altered document, the name, ad-
33 dress and taxpayer identification number of the payee, the amount of the check, the date printed
34 on the check and the altered name and address.

35 (r) The United States Postal Inspection Service or a federal law enforcement agency, including
36 but not limited to the United States Department of Justice, to assist in the investigation of the fol-
37 lowing criminal activities:

38 (A) Mail theft of a check, in which case the information that may be disclosed shall be limited
39 to the stolen document, the name, address and taxpayer identification number of the payee, the
40 amount of the check and the date printed on the check.

41 (B) The counterfeiting, forging or altering of a check submitted by a taxpayer to the Department
42 of Revenue or issued by the Department of Revenue to a taxpayer, in which case the information
43 that may be disclosed shall be limited to the counterfeit, forged or altered document, the name, ad-
44 dress and taxpayer identification number of the payee, the amount of the check, the date printed
45 on the check and the altered name and address.

1 (s) The United States Financial Management Service, for purposes of facilitating the offsets de-
2 scribed in ORS 305.612.

3 (t) A municipal corporation of this state for purposes of assisting the municipal corporation in
4 the administration of a tax of the municipal corporation that is imposed on or measured by income,
5 wages or net earnings from self-employment. Any disclosure under this paragraph may be made only
6 pursuant to a written agreement between the Department of Revenue and the municipal corporation
7 that ensures the confidentiality of the information disclosed.

8 (u) A consumer reporting agency, to the extent necessary to carry out the purposes of ORS
9 314.843.

10 (v) The Public Employees Retirement Board, to the extent necessary to carry out the purposes
11 of ORS 238.372 to 238.384, and to any public employer, to the extent necessary to carry out the
12 purposes of ORS 237.635 (3) and 237.637 (2).

13 (w) The Secretary of State for the purpose of initiating or supporting a recommendation under
14 ORS 60.032 (3) [*or 63.032 (3)*] or section 66 of this 2025 Act to administratively dissolve a corporation
15 or limited liability company that the Director of the Department of Revenue determines has failed
16 to comply with applicable tax laws of the state.

17 (x)(A) A multijurisdictional information sharing organization formed with oversight by the
18 Internal Revenue Service to combat identity theft and fraud, if the Department of Revenue is a
19 member of the organization; and

20 (B) Tax preparation software vendors that are members of an organization described in subpar-
21 agraph (A) of this paragraph, if information described in ORS 314.835 is shared for the purpose of
22 investigating industry leads of potential identity theft or fraud.

23 (y) The State Treasurer, for the purpose of providing employer responses, as indicated on annual
24 withholding reports submitted to the Department of Revenue, about whether an employer offers a
25 qualified retirement savings plan as listed in ORS 178.215.

26 (z) The Oregon 529 Savings Board, for the purpose of facilitating the establishment of accounts
27 by personal income taxpayers under ORS 178.335 within the Oregon 529 Savings Network through
28 the use of income tax return forms.

29 (3)(a) Each officer or employee of the department and each person described or referred to in
30 subsection (2)(a), (b), (f) to (L), (n) to (q) or (w) of this section to whom disclosure or access to the
31 tax information is given under subsection (2) of this section or any other provision of state law,
32 prior to beginning employment or the performance of duties involving such disclosure or access,
33 shall be advised in writing of the provisions of ORS 314.835 and 314.991, relating to penalties for the
34 violation of ORS 314.835, and shall as a condition of employment or performance of duties execute
35 a certificate for the department, in a form prescribed by the department, stating in substance that
36 the person has read these provisions of law, that the person has had them explained and that the
37 person is aware of the penalties for the violation of ORS 314.835.

38 (b) The disclosure authorized in subsection (2)(r) of this section shall be made only after a
39 written agreement has been entered into between the Department of Revenue and the person de-
40 scribed in subsection (2)(r) of this section to whom disclosure or access to the tax information is
41 given, providing that:

42 (A) Any information described in ORS 314.835 that is received by the person pursuant to sub-
43 section (2)(r) of this section is confidential information that may not be disclosed, except to the ex-
44 tent necessary to investigate or prosecute the criminal activities described in subsection (2)(r) of
45 this section;

1 (B) The information shall be protected as confidential under applicable federal and state laws;
2 and

3 (C) The United States Postal Inspection Service or the federal law enforcement agency shall
4 give notice to the Department of Revenue of any request received under the federal Freedom of In-
5 formation Act, 5 U.S.C. 552, or other federal law relating to the disclosure of information.

6 (4) The Department of Revenue may recover the costs of furnishing the information described
7 in subsection (2)(L), (m) and (o) to (q) of this section from the respective agencies.

8 **SECTION 203. The amendments to ORS 314.840 by section 202 of this 2025 Act become**
9 **operative on January 1, 2028.**

10 **SECTION 204.** ORS 401.690 is amended to read:

11 401.690. (1) Disaster or emergency related work conducted by an out-of-state business may not
12 be used as the sole basis for:

13 (a) Notwithstanding ORS 317.018 and 317.080, a finding that the out-of-state business is doing
14 business in this state;

15 (b) Imposition of the taxes imposed under ORS 314.725 or ORS chapter 316 or 317;

16 (c) Notwithstanding ORS 60.704, 63.704, 65.704, 67.705 and 70.355 **and section 76 of this 2025**
17 **Act**, a requirement that the out-of-state business register with or obtain authority to transact busi-
18 ness from the Secretary of State during the disaster response period; or

19 (d) A requirement that the out-of-state business or an out-of-state employee comply with state
20 or local business or professional licensing or registration requirements or state and local taxes or
21 fees including unemployment insurance, state or local occupational licensing fees and ad valorem
22 tax on equipment brought into this state for use during the disaster response period and subse-
23 quently removed from this state.

24 (2) For purposes of any state or local tax on or measured by, in whole or in part, net or gross
25 income or receipts, all activity of the out-of-state business that is conducted in this state, or equip-
26 ment brought into this state, pursuant to ORS 401.685 to 401.695 shall be disregarded with respect
27 to the filing requirements of ORS 317.710 and 317.715 and the apportionment provisions of ORS
28 314.605 to 314.675. Receipts from disaster or emergency related work may not be sourced to and
29 may not otherwise impact or increase the amount of income, revenue or receipts apportioned to this
30 state.

31 (3) For purposes of ORS chapter 316, an out-of-state employee is not taxed as a resident, non-
32 resident or part-year resident and is not considered to have established domicile or residence in this
33 state. Wages paid for disaster or emergency related work are not subject to the withholding pro-
34 visions of ORS 316.162 to 316.221.

35 (4) Out-of-state businesses and out-of-state employees shall be required to pay transaction taxes
36 and fees including fuel taxes, transient lodging taxes, car rental taxes or applicable fees during the
37 disaster response period, unless an exemption applies to the taxes or fees during the disaster re-
38 sponse period.

39 (5) Any out-of-state business that transacts business in this state or out-of-state employee who
40 remains in this state after the end of the disaster response period will become subject to this state's
41 normal standards for establishing domicile or residency or doing business in this state and will be-
42 come responsible for any business or employee tax requirements that ensue.

43 (6) ORS 401.990 does not apply to ORS 401.685 to 401.695.

44 **SECTION 205.** ORS 401.690, as amended by section 204 of this 2025 Act, is amended to read:

45 401.690. (1) Disaster or emergency related work conducted by an out-of-state business may not

1 be used as the sole basis for:

2 (a) Notwithstanding ORS 317.018 and 317.080, a finding that the out-of-state business is doing
3 business in this state;

4 (b) Imposition of the taxes imposed under ORS 314.725 or ORS chapter 316 or 317;

5 (c) Notwithstanding ORS 60.704, [63.704,] 65.704, 67.705 and 70.355 and section 76 of this 2025
6 Act, a requirement that the out-of-state business register with or obtain authority to transact busi-
7 ness from the Secretary of State during the disaster response period; or

8 (d) A requirement that the out-of-state business or an out-of-state employee comply with state
9 or local business or professional licensing or registration requirements or state and local taxes or
10 fees including unemployment insurance, state or local occupational licensing fees and ad valorem
11 tax on equipment brought into this state for use during the disaster response period and subse-
12 quently removed from this state.

13 (2) For purposes of any state or local tax on or measured by, in whole or in part, net or gross
14 income or receipts, all activity of the out-of-state business that is conducted in this state, or equip-
15 ment brought into this state, pursuant to ORS 401.685 to 401.695 shall be disregarded with respect
16 to the filing requirements of ORS 317.710 and 317.715 and the apportionment provisions of ORS
17 314.605 to 314.675. Receipts from disaster or emergency related work may not be sourced to and
18 may not otherwise impact or increase the amount of income, revenue or receipts apportioned to this
19 state.

20 (3) For purposes of ORS chapter 316, an out-of-state employee is not taxed as a resident, non-
21 resident or part-year resident and is not considered to have established domicile or residence in this
22 state. Wages paid for disaster or emergency related work are not subject to the withholding pro-
23 visions of ORS 316.162 to 316.221.

24 (4) Out-of-state businesses and out-of-state employees shall be required to pay transaction taxes
25 and fees including fuel taxes, transient lodging taxes, car rental taxes or applicable fees during the
26 disaster response period, unless an exemption applies to the taxes or fees during the disaster re-
27 sponse period.

28 (5) Any out-of-state business that transacts business in this state or out-of-state employee who
29 remains in this state after the end of the disaster response period will become subject to this state's
30 normal standards for establishing domicile or residency or doing business in this state and will be-
31 come responsible for any business or employee tax requirements that ensue.

32 (6) ORS 401.990 does not apply to ORS 401.685 to 401.695.

33 **SECTION 206. The amendments to ORS 401.690 by section 205 of this 2025 Act become**
34 **operative on January 1, 2028.**

35 **SECTION 207.** ORS 648.005 is amended to read:

36 648.005. As used in this chapter:

37 (1)(a) "Assumed business name" means one or more words or numerals, or a combination of
38 words and numerals, that a person uses to identify a business that the person carries on, conducts
39 or transacts, if at the time and place that the person carries on, conducts or transacts the business,
40 the person does not conspicuously disclose the real and true name of each person that is carrying
41 on, conducting or transacting the business.

42 (b) "Assumed business name" includes a name that a person uses to identify a business that in-
43 corporates a word or phrase that suggests the existence of additional owners, such as "Company,"
44 "& Company," "& Daughters," "& Associates," or a similar word or phrase, unless the name is the
45 real and true name of the person that carries on, conducts or transacts the business.

1 (2) “Business” means activity carried on, conducted or transacted by or on behalf of nonprofit,
2 social, fraternal and charitable entities and unincorporated associations, or for commercial gain.

3 (3) “Carry on, conduct or transact business” means:

4 (a) To sell, purchase or lease real estate, goods, intangible property or services from or to an
5 other person;

6 (b) To solicit an investment in or a donation to a business;

7 (c) To knowingly permit another person to solicit an investment in or a donation to a business
8 in which a person has an interest; or

9 (d) To apply for an extension of credit.

10 (4) “Entity” means a foreign or domestic corporation, foreign or domestic nonprofit corporation,
11 foreign or domestic profit or nonprofit unincorporated association, foreign or domestic business
12 trust, foreign or domestic limited partnership, foreign or domestic general partnership, foreign or
13 domestic limited liability company, two or more persons that have a joint or common economic in-
14 terest, a state, the United States, a federally recognized Native American or American Indian tribal
15 government or a foreign government.

16 (5) “Person” means an individual or an entity.

17 (6) “Real and true name” means:

18 (a) The surname of an individual coupled with a combination of the individual’s given names or
19 initials;

20 (b) The corporate name of a domestic corporation stated in the articles of incorporation or
21 amendment filed with the office of the Secretary of State or the corporate name of a foreign corpo-
22 ration as stated under ORS 60.707 (1);

23 (c) The name of a foreign or domestic limited partnership stated in the documents filed with the
24 office of the Secretary of State under ORS chapter 70;

25 (d) The name of a foreign or domestic limited liability company stated in the documents filed
26 with the office of the Secretary of State under ORS chapter 63 **or, if appropriate, under sections**
27 **1 to 125 of this 2025 Act;**

28 (e) The name of a foreign or domestic nonprofit corporation stated in the documents filed with
29 the office of the Secretary of State under ORS chapter 65;

30 (f) The name of a foreign or domestic general partnership stated in the documents filed with the
31 office of the Secretary of State under this chapter; or

32 (g) The name of a foreign or domestic business trust or estate stated in the documents filed with
33 the office of the Secretary of State.

34 (7) “Registrant” means a person for which the Secretary of State has registered an application
35 filed under ORS 648.012.

36 (8) “Service mark” has the meaning given in ORS 647.005.

37 **SECTION 208.** ORS 648.005, as amended by section 207 of this 2025 Act, is amended to read:
38 648.005. As used in this chapter:

39 (1)(a) “Assumed business name” means one or more words or numerals, or a combination of
40 words and numerals, that a person uses to identify a business that the person carries on, conducts
41 or transacts, if at the time and place that the person carries on, conducts or transacts the business,
42 the person does not conspicuously disclose the real and true name of each person that is carrying
43 on, conducting or transacting the business.

44 (b) “Assumed business name” includes a name that a person uses to identify a business that in-
45 corporates a word or phrase that suggests the existence of additional owners, such as “Company,”

1 “& Company,” “& Daughters,” “& Associates,” or a similar word or phrase, unless the name is the
2 real and true name of the person that carries on, conducts or transacts the business.

3 (2) “Business” means activity carried on, conducted or transacted by or on behalf of nonprofit,
4 social, fraternal and charitable entities and unincorporated associations, or for commercial gain.

5 (3) “Carry on, conduct or transact business” means:

6 (a) To sell, purchase or lease real estate, goods, intangible property or services from or to an-
7 other person;

8 (b) To solicit an investment in or a donation to a business;

9 (c) To knowingly permit another person to solicit an investment in or a donation to a business
10 in which a person has an interest; or

11 (d) To apply for an extension of credit.

12 (4) “Entity” means a foreign or domestic corporation, foreign or domestic nonprofit corporation,
13 foreign or domestic profit or nonprofit unincorporated association, foreign or domestic business
14 trust, foreign or domestic limited partnership, foreign or domestic general partnership, foreign or
15 domestic limited liability company, two or more persons that have a joint or common economic in-
16 terest, a state, the United States, a federally recognized Native American or American Indian tribal
17 government or a foreign government.

18 (5) “Person” means an individual or an entity.

19 (6) “Real and true name” means:

20 (a) The surname of an individual coupled with a combination of the individual’s given names or
21 initials;

22 (b) The corporate name of a domestic corporation stated in the articles of incorporation or
23 amendment filed with the office of the Secretary of State or the corporate name of a foreign corpo-
24 ration as stated under ORS 60.707 (1);

25 (c) The name of a foreign or domestic limited partnership stated in the documents filed with the
26 office of the Secretary of State under ORS chapter 70;

27 (d) The name of a foreign or domestic limited liability company stated in the documents filed
28 with the office of the Secretary of State under *[ORS chapter 63 or, if appropriate, under]* sections 1
29 to 125 of this 2025 Act;

30 (e) The name of a foreign or domestic nonprofit corporation stated in the documents filed with
31 the office of the Secretary of State under ORS chapter 65;

32 (f) The name of a foreign or domestic general partnership stated in the documents filed with the
33 office of the Secretary of State under this chapter; or

34 (g) The name of a foreign or domestic business trust or estate stated in the documents filed with
35 the office of the Secretary of State.

36 (7) “Registrant” means a person for which the Secretary of State has registered an application
37 filed under ORS 648.012.

38 (8) “Service mark” has the meaning given in ORS 647.005.

39 **SECTION 209. The amendments to ORS 648.005 by section 208 of this 2025 Act become**
40 **operative on January 1, 2028.**

41 **SECTION 210.** ORS 648.081 is amended to read:

42 648.081. (1) No person shall procure or maintain the registration of an assumed business name
43 with the Office of the Secretary of State by knowingly making any false or fraudulent representation
44 or declaration, orally or in writing, or by any other fraudulent means. No person shall register or
45 use an assumed business name with an intent to create a likelihood of confusion with another per-

1 son.

2 (2) A person that is not a corporation, limited liability company, business trust or limited part-
3 nership violates subsection (1) of this section if the person registers an assumed business name that
4 contains the words “corporation,” “incorporated,” “limited liability company,” “limited
5 partnership” or “business trust” or an abbreviation of any of those terms.

6 (3) A foreign or domestic profit or nonprofit corporation may register as an assumed business
7 name its corporate name minus the word, abbreviation or phrase that ORS 60.094 or 60.717 requires.

8 (4) A foreign or domestic limited liability company may register as an assumed business name
9 its limited liability company name minus the word, abbreviation or phrase that ORS 63.094 or 63.717
10 **or section 13 of this 2025 Act** requires.

11 (5) A foreign or domestic limited partnership may register as an assumed business name its
12 limited partnership name minus the word, abbreviation or phrase that ORS 70.010 or 70.365 requires.

13 (6) A foreign or domestic business trust may register as an assumed business name its business
14 trust name minus the word, abbreviation or phrase that ORS 60.094 or 60.717 requires.

15 (7) The Secretary of State shall cancel the registration of a conflicting assumed business name
16 if a person other than the registrant submits to the Office of the Secretary of State a certified copy
17 of a final judgment of a court that finds that the person has a right superior to that of the registrant
18 to use the name in this state. Nothing in this subsection shall preclude the Secretary of State from
19 seeking a civil penalty under ORS 648.990 after cancellation if the former registrant continues to
20 carry on, to conduct or to transact business under the assumed business name.

21 (8) Nothing in this section shall limit any person’s right to seek a remedy under ORS 646.638
22 or to seek an injunction under ORS 647.107.

23 **SECTION 211.** ORS 648.081, as amended by section 210 of this 2025 Act, is amended to read:

24 648.081. (1) No person shall procure or maintain the registration of an assumed business name
25 with the Office of the Secretary of State by knowingly making any false or fraudulent representation
26 or declaration, orally or in writing, or by any other fraudulent means. No person shall register or
27 use an assumed business name with an intent to create a likelihood of confusion with another per-
28 son.

29 (2) A person that is not a corporation, limited liability company, business trust or limited part-
30 nership violates subsection (1) of this section if the person registers an assumed business name that
31 contains the words “corporation,” “incorporated,” “limited liability company,” “limited
32 partnership” or “business trust” or an abbreviation of any of those terms.

33 (3) A foreign or domestic profit or nonprofit corporation may register as an assumed business
34 name its corporate name minus the word, abbreviation or phrase that ORS 60.094 or 60.717 requires.

35 (4) A foreign or domestic limited liability company may register as an assumed business name
36 its limited liability company name minus the word, abbreviation or phrase that [ORS 63.094 or 63.717
37 or] section 13 of this 2025 Act requires.

38 (5) A foreign or domestic limited partnership may register as an assumed business name its
39 limited partnership name minus the word, abbreviation or phrase that ORS 70.010 or 70.365 requires.

40 (6) A foreign or domestic business trust may register as an assumed business name its business
41 trust name minus the word, abbreviation or phrase that ORS 60.094 or 60.717 requires.

42 (7) The Secretary of State shall cancel the registration of a conflicting assumed business name
43 if a person other than the registrant submits to the Office of the Secretary of State a certified copy
44 of a final judgment of a court that finds that the person has a right superior to that of the registrant
45 to use the name in this state. Nothing in this subsection shall preclude the Secretary of State from

1 seeking a civil penalty under ORS 648.990 after cancellation if the former registrant continues to
2 carry on, to conduct or to transact business under the assumed business name.

3 (8) Nothing in this section shall limit any person's right to seek a remedy under ORS 646.638
4 or to seek an injunction under ORS 647.107.

5 **SECTION 212. The amendments to ORS 648.081 by section 211 of this 2025 Act become**
6 **operative on January 1, 2028.**

7 **SECTION 213.** ORS 656.735 is amended to read:

8 656.735. (1) The Director of the Department of Consumer and Business Services shall assess any
9 person who violates ORS 656.052 (1) a civil penalty of not more than \$1,000 or twice the premium
10 that would have been due for the period of noncompliance, whichever is the greater.

11 (2) The director shall assess any person who continues to violate ORS 656.052 (1), after an order
12 issued pursuant to ORS 656.052 (2) has become final, a civil penalty, in addition to any penalty as-
13 sessed under subsection (1) of this section, of not more than \$250 for each day such violation con-
14 tinues.

15 (3)(a) When a noncomplying employer is a corporation, such corporation and the officers and
16 directors thereof shall be jointly and severally liable for any civil penalties assessed under this
17 section and any claim costs incurred under ORS 656.054.

18 (b) When a noncomplying employer is a limited liability company, the company and its members
19 and managers shall be jointly and severally liable for any civil penalties assessed by the director
20 under this section and any claim costs incurred under ORS 656.054. As used in this paragraph,
21 "limited liability company," "manager" and "member" have the meanings for those terms provided
22 in ORS 63.001 **or, as appropriate, in section 2 of this 2025 Act.**

23 (c) When a noncomplying employer is a limited liability partnership or foreign limited liability
24 partnership, the partnership and its limited liability partners shall be jointly and severally liable for
25 any civil penalties assessed by the director under this section and any claim costs incurred under
26 ORS 656.054. As used in this paragraph, "limited liability partnership" and "foreign limited liability
27 partnership" have the meanings for those terms provided in ORS 67.005.

28 (d) When a noncomplying employer is a partnership, the partnership and its partners shall be
29 jointly and severally liable for any civil penalties assessed by the director under this section and
30 any claim costs incurred under ORS 656.054. As used in this paragraph, "partnership" has the
31 meaning for that term provided in ORS 67.005.

32 (4) When an order assessing a civil penalty becomes final by operation of law or on appeal,
33 unless the amount of penalty is paid within 10 days after the order becomes final, it constitutes a
34 judgment and may be recorded with the county clerk in any county of this state. The clerk shall
35 thereupon record the name of the person incurring the penalty and the amount of the penalty in the
36 County Clerk Lien Record. The penalty provided in the order so recorded shall become a lien upon
37 the title to any interest in property owned by the person against whom the order is entered, and
38 execution may be issued upon the order in the same manner as execution upon a judgment of a court
39 of record.

40 (5) Civil penalties, and judgments entered thereon, due to the director under this section from
41 any person shall be deemed preferred to all general claims in all bankruptcy proceedings, trustee
42 proceedings, and proceedings for the administration of estates and receiverships involving the per-
43 son liable therefor or the property of such person.

44 (6) All moneys collected under this section shall be paid into the Workers' Benefit Fund.

45 **SECTION 214.** ORS 656.735, as amended by section 213 of this 2025 Act, is amended to read:

1 656.735. (1) The Director of the Department of Consumer and Business Services shall assess any
2 person who violates ORS 656.052 (1) a civil penalty of not more than \$1,000 or twice the premium
3 that would have been due for the period of noncompliance, whichever is the greater.

4 (2) The director shall assess any person who continues to violate ORS 656.052 (1), after an order
5 issued pursuant to ORS 656.052 (2) has become final, a civil penalty, in addition to any penalty as-
6 sessed under subsection (1) of this section, of not more than \$250 for each day such violation con-
7 tinues.

8 (3)(a) When a noncomplying employer is a corporation, such corporation and the officers and
9 directors thereof shall be jointly and severally liable for any civil penalties assessed under this
10 section and any claim costs incurred under ORS 656.054.

11 (b) When a noncomplying employer is a limited liability company, the company and its members
12 and managers shall be jointly and severally liable for any civil penalties assessed by the director
13 under this section and any claim costs incurred under ORS 656.054. As used in this paragraph,
14 “limited liability company,” “manager” and “member” have the meanings for those terms provided
15 in [ORS 63.001 or, as appropriate, in] section 2 of this 2025 Act.

16 (c) When a noncomplying employer is a limited liability partnership or foreign limited liability
17 partnership, the partnership and its limited liability partners shall be jointly and severally liable for
18 any civil penalties assessed by the director under this section and any claim costs incurred under
19 ORS 656.054. As used in this paragraph, “limited liability partnership” and “foreign limited liability
20 partnership” have the meanings for those terms provided in ORS 67.005.

21 (d) When a noncomplying employer is a partnership, the partnership and its partners shall be
22 jointly and severally liable for any civil penalties assessed by the director under this section and
23 any claim costs incurred under ORS 656.054. As used in this paragraph, “partnership” has the
24 meaning for that term provided in ORS 67.005.

25 (4) When an order assessing a civil penalty becomes final by operation of law or on appeal,
26 unless the amount of penalty is paid within 10 days after the order becomes final, it constitutes a
27 judgment and may be recorded with the county clerk in any county of this state. The clerk shall
28 thereupon record the name of the person incurring the penalty and the amount of the penalty in the
29 County Clerk Lien Record. The penalty provided in the order so recorded shall become a lien upon
30 the title to any interest in property owned by the person against whom the order is entered, and
31 execution may be issued upon the order in the same manner as execution upon a judgment of a court
32 of record.

33 (5) Civil penalties, and judgments entered thereon, due to the director under this section from
34 any person shall be deemed preferred to all general claims in all bankruptcy proceedings, trustee
35 proceedings, and proceedings for the administration of estates and receiverships involving the per-
36 son liable therefor or the property of such person.

37 (6) All moneys collected under this section shall be paid into the Workers’ Benefit Fund.

38 **SECTION 215. The amendments to ORS 656.735 by section 214 of this 2025 Act become**
39 **operative on January 1, 2028.**

40 **SECTION 216.** ORS 657.044 is amended to read:

41 657.044. (1) As used in this chapter, “employment” does not include service performed for:

42 (a) A corporation by corporate officers who:

43 (A) Are directors of the corporation;

44 (B) Have a substantial ownership interest in the corporation; and

45 (C) Are members of the same family.

1 (b) A corporation by an individual who is the sole corporate officer and director of the corpo-
2 ration and who has a substantial ownership interest in the corporation.

3 (c) A limited liability company by a member, including members who are managers, as defined
4 in ORS 63.001 **or, as appropriate, in section 2 of this 2025 Act.**

5 (d) A limited liability partnership by a partner as described in ORS chapter 67.

6 (2)(a) The exclusion under subsection (1)(a) or (b) of this section is effective only if the corpo-
7 ration elects not to provide coverage for the individuals described respectively in subsection (1)(a)
8 or (b) of this section.

9 (b) The election must be in writing and is effective on the first day of the current calendar
10 quarter or, upon request, on the first day of the calendar quarter preceding the calendar quarter in
11 which the request is submitted.

12 (3) The provisions of this section do not apply to service performed for:

13 (a) A nonprofit employing unit;

14 (b) This state;

15 (c) A political subdivision of this state; or

16 (d) An Indian tribe.

17 (4) As used in this section, “members of the same family” means persons who are members of
18 a family as parents, stepparents, grandparents, spouses, sons-in-law, daughters-in-law, brothers, sis-
19 ters, children, stepchildren, adopted children or grandchildren.

20 **SECTION 217.** ORS 657.044, as amended by section 216 of this 2025 Act, is amended to read:

21 657.044. (1) As used in this chapter, “employment” does not include service performed for:

22 (a) A corporation by corporate officers who:

23 (A) Are directors of the corporation;

24 (B) Have a substantial ownership interest in the corporation; and

25 (C) Are members of the same family.

26 (b) A corporation by an individual who is the sole corporate officer and director of the corpo-
27 ration and who has a substantial ownership interest in the corporation.

28 (c) A limited liability company by a member, including members who are managers, as defined
29 in [ORS 63.001 or, as appropriate, in] section 2 of this 2025 Act.

30 (d) A limited liability partnership by a partner as described in ORS chapter 67.

31 (2)(a) The exclusion under subsection (1)(a) or (b) of this section is effective only if the corpo-
32 ration elects not to provide coverage for the individuals described respectively in subsection (1)(a)
33 or (b) of this section.

34 (b) The election must be in writing and is effective on the first day of the current calendar
35 quarter or, upon request, on the first day of the calendar quarter preceding the calendar quarter in
36 which the request is submitted.

37 (3) The provisions of this section do not apply to service performed for:

38 (a) A nonprofit employing unit;

39 (b) This state;

40 (c) A political subdivision of this state; or

41 (d) An Indian tribe.

42 (4) As used in this section, “members of the same family” means persons who are members of
43 a family as parents, stepparents, grandparents, spouses, sons-in-law, daughters-in-law, brothers, sis-
44 ters, children, stepchildren, adopted children or grandchildren.

45 **SECTION 218.** The amendments to ORS 657.044 by section 217 of this 2025 Act become

1 **operative on January 1, 2028.**

2 **SECTION 218a.** ORS 671.047 is amended to read:

3 671.047. Unless inconsistent with ORS 671.041 to 671.047, ORS chapters 58, 60, 62, 63, 65, 67 and
 4 **70 and sections 1 to 125 of this 2025 Act** apply as appropriate to the form of business entity in
 5 which an architectural firm is organized. The provisions of ORS 671.041 to 671.047 take precedence
 6 in governing the powers, privileges, duties, restrictions and liabilities of an architectural firm over
 7 conflicting provisions of ORS chapter 58, 60, 62, 63, 65, 67 or **70 or sections 1 to 125 of this 2025**
 8 **Act.**

9 **SECTION 218b.** ORS 671.047, as amended by section 218a of this 2025 Act, is amended to read:

10 671.047. Unless inconsistent with ORS 671.041 to 671.047, ORS chapters 58, 60, 62, [63,] 65, 67
 11 and 70 and sections 1 to 125 of this 2025 Act apply as appropriate to the form of business entity in
 12 which an architectural firm is organized. The provisions of ORS 671.041 to 671.047 take precedence
 13 in governing the powers, privileges, duties, restrictions and liabilities of an architectural firm over
 14 conflicting provisions of ORS chapter 58, 60, 62, [63,] 65, 67 or 70 or sections 1 to 125 of this 2025
 15 Act.

16 **SECTION 218c. The amendments to ORS 671.047 by section 218b of this 2025 Act become**
 17 **operative on January 1, 2028.**

18 **SECTION 219.** ORS 696.030 is amended to read:

19 696.030. ORS 696.010 to 696.375, 696.392, 696.395 to 696.430, 696.490, 696.600 to 696.785, 696.990
 20 and 696.995 do not apply to:

21 (1)(a) A nonlicensed individual who is a full-time employee of an owner of real estate and whose
 22 real estate activity:

23 (A) Involves only the real estate of the employer; and

24 (B)(i) Is incidental to the employee’s normal, nonreal estate activities; or

25 (ii) Is the employee’s principal activity, but the employer’s principal activity or business is not
 26 the sale, exchange, lease option or acquisition of real estate.

27 (b) For the purpose of this subsection, “owner of real estate” means:

28 (A) A person who has a sole ownership interest in the real estate; or

29 (B) More than one person, each of whom has an ownership interest in the real estate, if the
 30 ownership interest is by survivorship, tenancy in common or tenancy by the entirety.

31 (2) A nonlicensed individual who acts as attorney in fact under a duly executed power of at-
 32 torney from the owner or purchaser authorizing the supervision of the closing of or supervision of
 33 the performance of a contract for the sale, leasing or exchanging of real estate if the power of at-
 34 torney was executed prior to July 1, 2002, in compliance with the requirements of law at the time
 35 of execution or if:

36 (a) The power of attorney is recorded in the office of the recording officer for the county in
 37 which the real estate is located;

38 (b) The power of attorney specifically describes the real estate; and

39 (c) The nonlicensed individual does not use the power of attorney as a device to engage in
 40 professional real estate activity without obtaining the necessary real estate license.

41 (3) A nonlicensed individual who acts as attorney in fact under a duly executed power of at-
 42 torney in which the authorized agent is the spouse of the principal, or the child, grandchild, parent,
 43 grandparent, sibling, aunt, uncle, niece or nephew of the principal or of the spouse of the principal,
 44 authorizing real estate activity if the power of attorney is recorded in the office of the recording
 45 officer for the county in which the real estate to be sold, leased or exchanged is located.

1 (4) A nonlicensed individual who is an attorney at law rendering services in the performance
2 of duties as an attorney at law.

3 (5) A nonlicensed individual who acts in the nonlicensed individual's official capacity as a re-
4 ceiver, a conservator, a trustee in bankruptcy, a personal representative or a trustee, or a regular
5 salaried employee of the trustee, acting under a trust agreement, deed of trust or will.

6 (6) A nonlicensed individual who performs an act of professional real estate activity under order
7 of a court.

8 (7) A nonlicensed individual who is a regular full-time employee of a single corporation, part-
9 nership, association, limited liability company or nonlicensed individual owner of real property act-
10 ing for the corporation, partnership, association, limited liability company or nonlicensed individual
11 owner in the rental or management of the real property, but not in the sale, exchange, lease option
12 or purchase of the real property.

13 (8) A nonlicensed individual who is a registered professional engineer or architect rendering
14 services in performance of duties as a professional engineer or architect.

15 (9) A nonlicensed individual who is employed by a principal real estate broker engaged in the
16 management of rental real estate or by a licensed real estate property manager and who acts on
17 behalf of the principal real estate broker or licensed real estate property manager pursuant to a
18 written delegation of the principal real estate broker's or licensed real estate property manager's
19 authority, as provided by the agency by rule, if the real estate activity of the nonlicensed individual
20 is limited to:

21 (a) Negotiating rental or lease agreements;

22 (b) Checking tenant and credit references;

23 (c) Physically maintaining the real estate;

24 (d) Conducting tenant relations;

25 (e) Collecting the rent;

26 (f) Supervising the premises' managers;

27 (g) Discussing financial matters relating to the management of the real estate with the owner;

28 and

29 (h) Receiving and disbursing trust funds in a clients' trust account under ORS 696.241.

30 (10) A nonlicensed individual who sells or leases cemetery lots, parcels or units while engaged
31 in the disposition of human bodies under ORS 97.010 to 97.040, 97.110 to 97.450, 97.510 to 97.730,
32 97.810 to 97.920 and 97.990 or an employee of the nonlicensed individual performing similar activ-
33 ities.

34 (11) A nonlicensed individual who is a salaried employee of the State of Oregon, or any of its
35 political subdivisions, engaging in professional real estate activity as a part of such employment.

36 (12) A nonlicensed individual who analyzes or provides advice regarding permissible land use
37 alternatives, environmental impact, building and use permit procedures, development alternatives
38 or demographic market studies or who performs development management, or a regular full-time
39 employee of the nonlicensed individual performing similar activities. This exclusion does not apply
40 to marketing, procuring prospects, leasing or the handling of transactional negotiations for transfer
41 of an interest in real estate.

42 (13) An individual who is a hotelkeeper or innkeeper as defined by ORS 699.005 arranging the
43 rental of transient lodging at a hotel or inn in the course of business as a hotelkeeper or innkeeper.

44 (14) A nonlicensed individual who is a travel agent arranging the rental of transient lodging at
45 a hotel or inn as defined in ORS 699.005 in the course of business as a travel agent for compen-

1 sation. For the purpose of this subsection, “travel agent” means a person, and employees of the
2 person, regularly representing and selling travel services to the public directly or through other
3 travel agents.

4 (15) A nonlicensed individual who is a common carrier arranging the rental of transient lodging
5 at a hotel or inn as defined in ORS 699.005 in the course of business as a common carrier. For the
6 purpose of this subsection, “common carrier” means a person that transports or purports to be
7 willing to transport individuals from place to place by rail, motor vehicle, boat or aircraft for hire,
8 compensation or consideration.

9 (16) A nonlicensed individual who is a hotel representative arranging the rental of transient
10 lodging at a hotel or inn as defined in ORS 699.005 in the course of business as a hotel represen-
11 tative. For the purpose of this subsection, “hotel representative” means a person that provides res-
12 ervations or sale services to independent hotels, airlines, steamship companies and government
13 tourist agencies.

14 (17) A nonlicensed individual transferring or acquiring an interest in real estate owned or to
15 be owned by the nonlicensed individual.

16 (18) A nonlicensed individual who is a general partner for a domestic or foreign limited part-
17 nership duly registered and operating within this state under ORS chapter 70 engaging in the sale
18 of limited partnership interests and the acquisition, sale, exchange, lease, transfer or management
19 of the real estate of the limited partnership.

20 (19) A nonlicensed individual who is a membership camping contract broker or salesperson
21 registered with the Real Estate Agency selling membership camping contracts.

22 (20) A nonlicensed individual who is a professional forester or farm manager engaging in prop-
23 erty management activity on forestland or farmland when the activity is incidental to the nonreal
24 estate duties involving overall management of forest or farm resources.

25 (21) A nonlicensed individual who is a registered investment adviser under the Investment Ad-
26 visers Act of 1940, 15 U.S.C. 80b-1 et seq., rendering real estate investment services for the office
27 of the State Treasurer or the Oregon Investment Council.

28 (22) A nonlicensed individual who refers a new tenant for compensation to a real estate licensee
29 acting as the property manager for a residential building or facility while the nonlicensed individual
30 resides in the building or facility or within six months after termination of the nonlicensed
31 individual’s tenancy.

32 (23) A nonlicensed individual who gives an opinion in an administrative or judicial proceeding
33 regarding the value of real estate for taxation or representing a taxpayer under ORS 305.239 or
34 309.100.

35 (24) A nonlicensed individual acting as a paid fiduciary whose real estate activity is limited to
36 negotiating a contract to obtain the services of a real estate licensee.

37 (25) A nonlicensed individual who is acting as a fiduciary under a court order, without regard
38 to whether the court order specifically authorizes real estate activity.

39 (26) A nonlicensed individual who is a representative of a financial institution or trust company,
40 as those terms are defined in ORS 706.008, that is attorney in fact under a duly executed power of
41 attorney from the owner or purchaser authorizing real estate activity, if the power of attorney is
42 recorded in the office of the county clerk for the county in which the real estate to be sold, leased
43 or exchanged is located.

44 (27) A nonlicensed individual who is a member of a domestic or foreign limited liability company
45 duly registered and operating within this state under ORS chapter 63 **or sections 1 to 125 of this**

1 **2025 Act** and who is engaging in the acquisition, sale, exchange, lease, transfer or management of
 2 the real estate of the limited liability company if:

3 (a) The limited liability company is member-managed; or

4 (b) The limited liability company is manager-managed, and the nonlicensed individual is a man-
 5 ager.

6 (28) A nonlicensed individual who is a partner in a partnership as defined in ORS 67.005 and
 7 who is engaging in the acquisition, sale, exchange, lease, transfer or management of the real estate
 8 of the partnership.

9 (29) A nonlicensed individual who is an officer or director of a domestic or foreign corporation
 10 duly registered and operating within this state under ORS chapter 60 and who is engaging in the
 11 acquisition, sale, exchange, lease, transfer or management of the real estate of the corporation.

12 **SECTION 220.** ORS 696.030, as amended by section 219 of this 2025 Act, is amended to read:

13 696.030. ORS 696.010 to 696.375, 696.392, 696.395 to 696.430, 696.490, 696.600 to 696.785, 696.990
 14 and 696.995 do not apply to:

15 (1)(a) A nonlicensed individual who is a full-time employee of an owner of real estate and whose
 16 real estate activity:

17 (A) Involves only the real estate of the employer; and

18 (B)(i) Is incidental to the employee's normal, nonreal estate activities; or

19 (ii) Is the employee's principal activity, but the employer's principal activity or business is not
 20 the sale, exchange, lease option or acquisition of real estate.

21 (b) For the purpose of this subsection, "owner of real estate" means:

22 (A) A person who has a sole ownership interest in the real estate; or

23 (B) More than one person, each of whom has an ownership interest in the real estate, if the
 24 ownership interest is by survivorship, tenancy in common or tenancy by the entirety.

25 (2) A nonlicensed individual who acts as attorney in fact under a duly executed power of at-
 26 torney from the owner or purchaser authorizing the supervision of the closing of or supervision of
 27 the performance of a contract for the sale, leasing or exchanging of real estate if the power of at-
 28 torney was executed prior to July 1, 2002, in compliance with the requirements of law at the time
 29 of execution or if:

30 (a) The power of attorney is recorded in the office of the recording officer for the county in
 31 which the real estate is located;

32 (b) The power of attorney specifically describes the real estate; and

33 (c) The nonlicensed individual does not use the power of attorney as a device to engage in
 34 professional real estate activity without obtaining the necessary real estate license.

35 (3) A nonlicensed individual who acts as attorney in fact under a duly executed power of at-
 36 torney in which the authorized agent is the spouse of the principal, or the child, grandchild, parent,
 37 grandparent, sibling, aunt, uncle, niece or nephew of the principal or of the spouse of the principal,
 38 authorizing real estate activity if the power of attorney is recorded in the office of the recording
 39 officer for the county in which the real estate to be sold, leased or exchanged is located.

40 (4) A nonlicensed individual who is an attorney at law rendering services in the performance
 41 of duties as an attorney at law.

42 (5) A nonlicensed individual who acts in the nonlicensed individual's official capacity as a re-
 43 ceiver, a conservator, a trustee in bankruptcy, a personal representative or a trustee, or a regular
 44 salaried employee of the trustee, acting under a trust agreement, deed of trust or will.

45 (6) A nonlicensed individual who performs an act of professional real estate activity under order

1 of a court.

2 (7) A nonlicensed individual who is a regular full-time employee of a single corporation, part-
3 nership, association, limited liability company or nonlicensed individual owner of real property act-
4 ing for the corporation, partnership, association, limited liability company or nonlicensed individual
5 owner in the rental or management of the real property, but not in the sale, exchange, lease option
6 or purchase of the real property.

7 (8) A nonlicensed individual who is a registered professional engineer or architect rendering
8 services in performance of duties as a professional engineer or architect.

9 (9) A nonlicensed individual who is employed by a principal real estate broker engaged in the
10 management of rental real estate or by a licensed real estate property manager and who acts on
11 behalf of the principal real estate broker or licensed real estate property manager pursuant to a
12 written delegation of the principal real estate broker's or licensed real estate property manager's
13 authority, as provided by the agency by rule, if the real estate activity of the nonlicensed individual
14 is limited to:

15 (a) Negotiating rental or lease agreements;

16 (b) Checking tenant and credit references;

17 (c) Physically maintaining the real estate;

18 (d) Conducting tenant relations;

19 (e) Collecting the rent;

20 (f) Supervising the premises' managers;

21 (g) Discussing financial matters relating to the management of the real estate with the owner;

22 and

23 (h) Receiving and disbursing trust funds in a clients' trust account under ORS 696.241.

24 (10) A nonlicensed individual who sells or leases cemetery lots, parcels or units while engaged
25 in the disposition of human bodies under ORS 97.010 to 97.040, 97.110 to 97.450, 97.510 to 97.730,
26 97.810 to 97.920 and 97.990 or an employee of the nonlicensed individual performing similar activ-
27 ities.

28 (11) A nonlicensed individual who is a salaried employee of the State of Oregon, or any of its
29 political subdivisions, engaging in professional real estate activity as a part of such employment.

30 (12) A nonlicensed individual who analyzes or provides advice regarding permissible land use
31 alternatives, environmental impact, building and use permit procedures, development alternatives
32 or demographic market studies or who performs development management, or a regular full-time
33 employee of the nonlicensed individual performing similar activities. This exclusion does not apply
34 to marketing, procuring prospects, leasing or the handling of transactional negotiations for transfer
35 of an interest in real estate.

36 (13) An individual who is a hotelkeeper or innkeeper as defined by ORS 699.005 arranging the
37 rental of transient lodging at a hotel or inn in the course of business as a hotelkeeper or innkeeper.

38 (14) A nonlicensed individual who is a travel agent arranging the rental of transient lodging at
39 a hotel or inn as defined in ORS 699.005 in the course of business as a travel agent for compen-
40 sation. For the purpose of this subsection, "travel agent" means a person, and employees of the
41 person, regularly representing and selling travel services to the public directly or through other
42 travel agents.

43 (15) A nonlicensed individual who is a common carrier arranging the rental of transient lodging
44 at a hotel or inn as defined in ORS 699.005 in the course of business as a common carrier. For the
45 purpose of this subsection, "common carrier" means a person that transports or purports to be

1 willing to transport individuals from place to place by rail, motor vehicle, boat or aircraft for hire,
2 compensation or consideration.

3 (16) A nonlicensed individual who is a hotel representative arranging the rental of transient
4 lodging at a hotel or inn as defined in ORS 699.005 in the course of business as a hotel represen-
5 tative. For the purpose of this subsection, "hotel representative" means a person that provides res-
6 ervations or sale services to independent hotels, airlines, steamship companies and government
7 tourist agencies.

8 (17) A nonlicensed individual transferring or acquiring an interest in real estate owned or to
9 be owned by the nonlicensed individual.

10 (18) A nonlicensed individual who is a general partner for a domestic or foreign limited part-
11 nership duly registered and operating within this state under ORS chapter 70 engaging in the sale
12 of limited partnership interests and the acquisition, sale, exchange, lease, transfer or management
13 of the real estate of the limited partnership.

14 (19) A nonlicensed individual who is a membership camping contract broker or salesperson
15 registered with the Real Estate Agency selling membership camping contracts.

16 (20) A nonlicensed individual who is a professional forester or farm manager engaging in prop-
17 erty management activity on forestland or farmland when the activity is incidental to the nonreal
18 estate duties involving overall management of forest or farm resources.

19 (21) A nonlicensed individual who is a registered investment adviser under the Investment Ad-
20 visers Act of 1940, 15 U.S.C. 80b-1 et seq., rendering real estate investment services for the office
21 of the State Treasurer or the Oregon Investment Council.

22 (22) A nonlicensed individual who refers a new tenant for compensation to a real estate licensee
23 acting as the property manager for a residential building or facility while the nonlicensed individual
24 resides in the building or facility or within six months after termination of the nonlicensed
25 individual's tenancy.

26 (23) A nonlicensed individual who gives an opinion in an administrative or judicial proceeding
27 regarding the value of real estate for taxation or representing a taxpayer under ORS 305.239 or
28 309.100.

29 (24) A nonlicensed individual acting as a paid fiduciary whose real estate activity is limited to
30 negotiating a contract to obtain the services of a real estate licensee.

31 (25) A nonlicensed individual who is acting as a fiduciary under a court order, without regard
32 to whether the court order specifically authorizes real estate activity.

33 (26) A nonlicensed individual who is a representative of a financial institution or trust company,
34 as those terms are defined in ORS 706.008, that is attorney in fact under a duly executed power of
35 attorney from the owner or purchaser authorizing real estate activity, if the power of attorney is
36 recorded in the office of the county clerk for the county in which the real estate to be sold, leased
37 or exchanged is located.

38 (27) A nonlicensed individual who is a member of a domestic or foreign limited liability company
39 duly registered and operating within this state under [ORS chapter 63 or] sections 1 to 125 of this
40 2025 Act and who is engaging in the acquisition, sale, exchange, lease, transfer or management of
41 the real estate of the limited liability company if:

42 (a) The limited liability company is member-managed; or

43 (b) The limited liability company is manager-managed, and the nonlicensed individual is a man-
44 ager.

45 (28) A nonlicensed individual who is a partner in a partnership as defined in ORS 67.005 and

1 who is engaging in the acquisition, sale, exchange, lease, transfer or management of the real estate
2 of the partnership.

3 (29) A nonlicensed individual who is an officer or director of a domestic or foreign corporation
4 duly registered and operating within this state under ORS chapter 60 and who is engaging in the
5 acquisition, sale, exchange, lease, transfer or management of the real estate of the corporation.

6 **SECTION 221. The amendments to ORS 696.030 by section 220 of this 2025 Act become**
7 **operative on January 1, 2028.**

8 **SECTION 222.** ORS 701.160 is amended to read:

9 701.160. Notwithstanding ORS 9.320:

10 (1) A party may appear or be represented by an individual who is not a member of the Oregon
11 State Bar in a proceeding before the Construction Contractors Board if:

12 (a) The party is a corporation and the individual is an officer of the corporation;

13 (b) The party is a partnership, or a limited liability partnership or foreign limited liability
14 partnership as those terms are defined in ORS 67.005, and the individual is a partner in the part-
15 nership, limited liability partnership or foreign limited liability partnership;

16 (c) The party is a limited partnership as defined in ORS 70.005 and the individual is a general
17 partner in the partnership;

18 (d) The party is a manager-managed limited liability company as defined in ORS 63.001 **or sec-**
19 **tion 2 of this 2025 Act** and the individual is a manager of the company; or

20 (e) The party is a member-managed limited liability company as defined in ORS 63.001 **or sec-**
21 **tion 2 of this 2025 Act** and the individual is a member of the company.

22 (2) In addition to parties described in subsection (1) of this section, the board, by rule, may
23 recognize particular business forms as parties that may appear or be represented by an individual
24 who is not a member of the Oregon State Bar in a proceeding before the board. A board rule
25 adopted under this subsection must identify the business form of the party and specify the required
26 relationship between the party and the individual. The board may allow appearance or represen-
27 tation of a party only by an individual who is a director, officer, partner, trustee, manager or au-
28 thorized regular employee of the party.

29 **SECTION 223.** ORS 701.160, as amended by section 222 of this 2025 Act, is amended to read:

30 701.160. Notwithstanding ORS 9.320:

31 (1) A party may appear or be represented by an individual who is not a member of the Oregon
32 State Bar in a proceeding before the Construction Contractors Board if:

33 (a) The party is a corporation and the individual is an officer of the corporation;

34 (b) The party is a partnership, or a limited liability partnership or foreign limited liability
35 partnership as those terms are defined in ORS 67.005, and the individual is a partner in the part-
36 nership, limited liability partnership or foreign limited liability partnership;

37 (c) The party is a limited partnership as defined in ORS 70.005 and the individual is a general
38 partner in the partnership;

39 (d) The party is a manager-managed limited liability company as defined in [ORS 63.001 or]
40 section 2 of this 2025 Act and the individual is a manager of the company; or

41 (e) The party is a member-managed limited liability company as defined in [ORS 63.001 or] sec-
42 tion 2 of this 2025 Act and the individual is a member of the company.

43 (2) In addition to parties described in subsection (1) of this section, the board, by rule, may
44 recognize particular business forms as parties that may appear or be represented by an individual
45 who is not a member of the Oregon State Bar in a proceeding before the board. A board rule

1 adopted under this subsection must identify the business form of the party and specify the required
 2 relationship between the party and the individual. The board may allow appearance or represen-
 3 tation of a party only by an individual who is a director, officer, partner, trustee, manager or au-
 4 thorized regular employee of the party.

5 **SECTION 224. The amendments to ORS 701.160 by section 223 of this 2025 Act become**
 6 **operative on January 1, 2028.**

7 **SECTION 225.** ORS 707.007 is amended to read:

8 707.007. (1) As an alternative to being organized as a corporation under this chapter, an Oregon
 9 bank may be organized as a limited liability company.

10 (2) With respect to any Oregon bank that is organized as a limited liability company, as used
 11 in the Bank Act:

12 (a) "Articles of incorporation" means the Oregon bank's articles of organization, as defined in
 13 ORS 63.001 **or, as appropriate, in section 2 of this 2025 Act.**

14 (b) "Bylaws" means the Oregon bank's operating agreement, as defined in ORS 63.001 **or, as**
 15 **appropriate, in section 2 of this 2025 Act.**

16 (c) "Certificate of incorporation" means a certificate of organization issued to the Oregon bank
 17 **or, as appropriate, articles of organization issued to the Oregon bank.**

18 (d) "Corporation," means a limited liability company, as defined in ORS 63.001 **or, as appro-**
 19 **priate, in section 2 of this 2025 Act.**

20 (e) "Director," "directors" or "board of directors" means the Oregon bank's manager or man-
 21 agers, as defined in ORS 63.001 **or, as appropriate, in section 2 of this 2025 Act.**

22 (f) "Dividends" means distributions, as defined in ORS 63.001 **or, as appropriate, in section 2**
 23 **of this 2025 Act,** declared or paid by the Oregon bank.

24 (g) "Incorporator" means the Oregon bank's organizer, as defined in ORS 63.001 **or, as appro-**
 25 **priate, in section 2 of this 2025 Act.**

26 (h) "Share" or "stock" means a membership interest in the Oregon bank, as defined in ORS
 27 63.001 **or, as appropriate, an interest that a person has as a member, as defined in section 2**
 28 **of this 2025 Act, of the Oregon bank.**

29 (i) "Stockholder," "stockholders," "shareholder" or "shareholders" means the Oregon bank's
 30 member or members, as defined in ORS 63.001 **or, as appropriate, in section 2 of this 2025 Act.**

31 (3) An Oregon bank organized as a limited liability company shall be organized under the au-
 32 thority of the Director of the Department of Consumer and Business Services under this chapter.
 33 Except as set forth in subsection (4) of this section, with respect to all other aspects of its operation
 34 and existence, an Oregon bank that is organized as a limited liability company is subject to the
 35 provisions of ORS chapter 63 **or, as appropriate, to the provisions of sections 1 to 125 of this**
 36 **2025 Act,** to the extent that ORS chapter 63 [*does*] **or, as appropriate, sections 1 to 125 of this**
 37 **2025 Act do** not conflict with the Bank Act. In the event of any conflict between the Bank Act and
 38 ORS chapter 63 **or sections 1 to 125 of this 2025 Act,** the Bank Act controls.

39 (4)(a) Notwithstanding any provision of ORS chapter 63 **or sections 1 to 125 of this 2025 Act,**
 40 the articles of organization of an Oregon bank that is organized as a limited liability company shall:

41 (A) State that the existence of the Oregon bank is perpetual; and

42 (B) Provide that the Oregon bank is to be managed by a board of not fewer than five managers.

43 (b) Notwithstanding any provision of ORS chapter 63 **or sections 1 to 125 of this 2025 Act,** an
 44 Oregon bank that is organized as a limited liability company shall be managed exclusively by its
 45 board of managers in substantially the same manner as an Oregon bank that is organized as a cor-

1 poration is managed by its board of directors. The board of managers of an Oregon bank that is
2 organized as a limited liability company has substantially the same rights, powers, privileges, duties
3 and responsibilities as the board of directors of an Oregon bank that is organized as a corporation
4 and is subject to the provisions of this chapter pertaining to directors.

5 (c) Notwithstanding any provision of ORS chapter 63 **or sections 1 to 125 of this 2025 Act**,
6 membership interests in an Oregon bank that is organized as a limited liability company are freely
7 transferable, and consent of the Oregon bank or its members or managers is not required for a
8 person to acquire or transfer a membership interest in the Oregon bank. Immediately upon the
9 completion of the transfer of the membership interest to a person, the person becomes a member and
10 has all the rights of a member.

11 (d) ORS 63.621 (2) to (4) **and section 58 (1)(a) to (c) of this 2025 Act** do not apply to an Oregon
12 bank organized as a limited liability company.

13 (5) The articles of organization of an Oregon bank that is organized as a limited liability com-
14 pany shall require that liquidation of the Oregon bank conform with the requirements of the Bank
15 Act.

16 (6) An Oregon bank that is organized as a limited liability company shall have the officers de-
17 scribed in ORS 707.700. The officers shall be elected by the board of managers of the Oregon bank
18 and are subject to the provisions of this chapter.

19 (7) Each Oregon bank that is organized as a limited liability company shall have a written op-
20 erating agreement containing any provisions for the affairs of the Oregon bank as may be agreed
21 upon by its members and that are consistent with the Bank Act.

22 (8) Any number of persons, not fewer than five, may act as organizers of an Oregon bank that
23 is organized as a limited liability company.

24 **SECTION 226.** ORS 707.007, as amended by section 225 of this 2025 Act, is amended to read:

25 707.007. (1) As an alternative to being organized as a corporation under this chapter, an Oregon
26 bank may be organized as a limited liability company.

27 (2) With respect to any Oregon bank that is organized as a limited liability company, as used
28 in the Bank Act:

29 (a) “Articles of incorporation” means the Oregon bank’s articles of organization, as defined in
30 [ORS 63.001 or, as appropriate, in] section 2 of this 2025 Act.

31 (b) “Bylaws” means the Oregon bank’s operating agreement, as defined in [ORS 63.001 or, as
32 appropriate, in] section 2 of this 2025 Act.

33 (c) “Certificate of incorporation” means a certificate of organization issued to the Oregon bank.

34 (d) “Corporation,” means a limited liability company, as defined in [ORS 63.001 or, as appropri-
35 ate, in] section 2 of this 2025 Act.

36 (e) “Director,” “directors” or “board of directors” means the Oregon bank’s manager or man-
37 agers, as defined in [ORS 63.001 or, as appropriate, in] section 2 of this 2025 Act.

38 (f) “Dividends” means distributions, as defined in [ORS 63.001 or, as appropriate, in] section 2
39 of this 2025 Act, declared or paid by the Oregon bank.

40 (g) “Incorporator” means the Oregon bank’s organizer, as defined in [ORS 63.001 or, as appro-
41 priate, in] section 2 of this 2025 Act.

42 (h) “Share” or “stock” means a membership interest in the Oregon bank[, as defined in ORS
43 63.001 or, as appropriate, an interest] that a person has as a member, as defined in section 2 of this
44 2025 Act, of the Oregon bank.

45 (i) “Stockholder,” “stockholders,” “shareholder” or “shareholders” means the Oregon bank’s

1 member or members, as defined in [ORS 63.001 or, as appropriate, in] section 2 of this 2025 Act.

2 (3) An Oregon bank organized as a limited liability company shall be organized under the au-
3 thority of the Director of the Department of Consumer and Business Services under this chapter.
4 Except as set forth in subsection (4) of this section, with respect to all other aspects of its operation
5 and existence, an Oregon bank that is organized as a limited liability company is subject to the
6 provisions of [ORS chapter 63 or, as appropriate, to the provisions of] sections 1 to 125 of this 2025
7 Act, to the extent that [ORS chapter 63 or, as appropriate,] sections 1 to 125 of this 2025 Act do not
8 conflict with the Bank Act. In the event of any conflict between the Bank Act and [ORS chapter
9 63 or] sections 1 to 125 of this 2025 Act, the Bank Act controls.

10 (4)(a) Notwithstanding any provision of [ORS chapter 63 or] sections 1 to 125 of this 2025 Act,
11 the articles of organization of an Oregon bank that is organized as a limited liability company shall:

12 (A) State that the existence of the Oregon bank is perpetual; and

13 (B) Provide that the Oregon bank is to be managed by a board of not fewer than five managers.

14 (b) Notwithstanding any provision of [ORS chapter 63 or] sections 1 to 125 of this 2025 Act, an
15 Oregon bank that is organized as a limited liability company shall be managed exclusively by its
16 board of managers in substantially the same manner as an Oregon bank that is organized as a cor-
17 poration is managed by its board of directors. The board of managers of an Oregon bank that is
18 organized as a limited liability company has substantially the same rights, powers, privileges, duties
19 and responsibilities as the board of directors of an Oregon bank that is organized as a corporation
20 and is subject to the provisions of this chapter pertaining to directors.

21 (c) Notwithstanding any provision of [ORS chapter 63 or] sections 1 to 125 of this 2025 Act,
22 membership interests in an Oregon bank that is organized as a limited liability company are freely
23 transferable, and consent of the Oregon bank or its members or managers is not required for a
24 person to acquire or transfer a membership interest in the Oregon bank. Immediately upon the
25 completion of the transfer of the membership interest to a person, the person becomes a member and
26 has all the rights of a member.

27 (d) [ORS 63.621 (2) to (4) and] Section 58 (1)(a) to (c) of this 2025 Act [do] **does** not apply to an
28 Oregon bank organized as a limited liability company.

29 (5) The articles of organization of an Oregon bank that is organized as a limited liability com-
30 pany shall require that liquidation of the Oregon bank conform with the requirements of the Bank
31 Act.

32 (6) An Oregon bank that is organized as a limited liability company shall have the officers de-
33 scribed in ORS 707.700. The officers shall be elected by the board of managers of the Oregon bank
34 and are subject to the provisions of this chapter.

35 (7) Each Oregon bank that is organized as a limited liability company shall have a written op-
36 erating agreement containing any provisions for the affairs of the Oregon bank as may be agreed
37 upon by its members and that are consistent with the Bank Act.

38 (8) Any number of persons, not fewer than five, may act as organizers of an Oregon bank that
39 is organized as a limited liability company.

40 **SECTION 227. The amendments to ORS 707.007 by section 226 of this 2025 Act become**
41 **operative on January 1, 2028.**

42 **SECTION 228.** ORS 709.015 is amended to read:

43 709.015. (1) As an alternative to being organized as a corporation pursuant to the provisions of
44 ORS chapter 707 and this chapter, an Oregon trust company may be organized as a limited liability
45 company.

1 (2) With respect to any Oregon trust company that is organized as a limited liability company,
2 as used in the Bank Act:

3 (a) “Articles of incorporation” means the Oregon trust company’s articles of organization, as
4 defined in ORS 63.001 **or, as appropriate, in section 2 of this 2025 Act.**

5 (b) “Bylaws” means the Oregon trust company’s operating agreement, as defined in ORS 63.001
6 **or, as appropriate, in section 2 of this 2025 Act.**

7 (c) “Certificate of incorporation” means a certificate of organization issued to the Oregon trust
8 company.

9 (d) “Corporation” means a limited liability company, as defined in ORS 63.001 **or, as appropri-**
10 **ate, in section 2 of this 2025 Act.**

11 (e) “Director,” “directors” or “board of directors” means the Oregon trust company’s manager
12 or managers, as defined in ORS 63.001 **or, as appropriate, in section 2 of this 2025 Act.**

13 (f) “Dividends” means distributions, as defined in ORS 63.001 **or, as appropriate, in section 2**
14 **of this 2025 Act,** declared or paid by the Oregon trust company.

15 (g) “Incorporator” means the Oregon trust company’s organizer, as defined in ORS 63.001 **or,**
16 **as appropriate, in section 2 of this 2025 Act.**

17 (h) “Share” or “stock” means a membership interest in the Oregon trust company, as defined in
18 ORS 63.001 **or, if appropriate, an interest that a person has as a member, as defined in section**
19 **2 of this 2025 Act, of the Oregon trust company.**

20 (i) “Stockholder,” “stockholders,” “shareholder” or “shareholders” means the Oregon trust
21 company’s member or members, as defined in ORS 63.001 **or, as appropriate, in section 2 of this**
22 **2025 Act.**

23 (3) An Oregon trust company organized as a limited liability company shall be organized under
24 the authority of the Director of the Department of Consumer and Business Services under this
25 chapter and ORS chapter 707. Except as set forth in subsection (4) of this section, with respect to
26 all other aspects of its operation and existence, an Oregon trust company that is organized as a
27 limited liability company is subject to the provisions of ORS chapter 63 **or, as appropriate, to the**
28 **provisions of sections 1 to 125 of this 2025 Act,** to the extent that ORS chapter 63 [*does*] **or, as**
29 **appropriate, sections 1 to 125 of this 2025 Act do** not conflict with the Bank Act. In the event
30 of any conflict between the Bank Act and ORS chapter 63 **or sections 1 to 125 of this 2025 Act,**
31 the Bank Act controls.

32 (4)(a) Notwithstanding any provision of ORS chapter 63 **or sections 1 to 125 of this 2025 Act,**
33 the articles of organization of an Oregon trust company that is organized as a limited liability
34 company shall:

35 (A) State that the existence of the Oregon trust company is perpetual; and

36 (B) Provide that the Oregon trust company is to be managed by a board of not fewer than five
37 managers.

38 (b) Notwithstanding any provision of ORS chapter 63 **or sections 1 to 125 of this 2025 Act,** an
39 Oregon trust company that is organized as a limited liability company shall be managed exclusively
40 by its board of managers in substantially the same manner as an Oregon trust company that is or-
41 ganized as a corporation is managed by its board of directors. The board of managers of an Oregon
42 trust company that is organized as a limited liability company has substantially the same rights,
43 powers, privileges, duties and responsibilities as the board of directors of an Oregon trust company
44 that is organized as a corporation and is subject to the provisions of ORS chapter 707 and this
45 chapter pertaining to directors.

1 (c) Notwithstanding any provision of ORS chapter 63 **or sections 1 to 125 of this 2025 Act**,
2 membership interests in an Oregon trust company that is organized as a limited liability company
3 are freely transferable, and consent of the Oregon trust company or its members or managers is not
4 required for a person to acquire or transfer a membership interest in the Oregon trust company.
5 Immediately upon the completion of the transfer of the membership interest to a person, the person
6 becomes a member, and has all the rights of a member.

7 (d) ORS 63.621 (2) to (4) **and section 58 (1)(a) to (c) of this 2025 Act** do not apply to an Oregon
8 trust company organized as a limited liability company.

9 (5) The articles of organization of an Oregon trust company that is organized as a limited li-
10 ability company shall require that liquidation of the Oregon trust company conform with the re-
11 quirements of the Bank Act.

12 (6) An Oregon trust company that is organized as a limited liability company shall have the of-
13 ficers described in ORS 707.700. The officers shall be elected by the board of managers of the
14 Oregon trust company and shall be subject to the provisions of this chapter and ORS chapter 707.

15 (7) Each Oregon trust company that is organized as a limited liability company shall have a
16 written operating agreement containing any provisions for the affairs of the Oregon trust company
17 as may be agreed upon by its members and that are consistent with the Bank Act.

18 (8) Any number of persons, not fewer than five, may act as organizers of an Oregon trust com-
19 pany that is organized as a limited liability company.

20 **SECTION 229.** ORS 709.015, as amended by section 228 of this 2025 Act, is amended to read:

21 709.015. (1) As an alternative to being organized as a corporation pursuant to the provisions of
22 ORS chapter 707 and this chapter, an Oregon trust company may be organized as a limited liability
23 company.

24 (2) With respect to any Oregon trust company that is organized as a limited liability company,
25 as used in the Bank Act:

26 (a) “Articles of incorporation” means the Oregon trust company’s articles of organization, as
27 defined in [ORS 63.001 or, as appropriate, in] section 2 of this 2025 Act.

28 (b) “Bylaws” means the Oregon trust company’s operating agreement, as defined in [ORS 63.001
29 or, as appropriate, in] section 2 of this 2025 Act.

30 (c) “Certificate of incorporation” means a certificate of organization issued to the Oregon trust
31 company.

32 (d) “Corporation” means a limited liability company, as defined in [ORS 63.001 or, as appropri-
33 ate, in] section 2 of this 2025 Act.

34 (e) “Director,” “directors” or “board of directors” means the Oregon trust company’s manager
35 or managers, as defined in [ORS 63.001 or, as appropriate, in] section 2 of this 2025 Act.

36 (f) “Dividends” means distributions, as defined in [ORS 63.001 or, as appropriate, in] section 2
37 of this 2025 Act, declared or paid by the Oregon trust company.

38 (g) “Incorporator” means the Oregon trust company’s organizer, as defined in [ORS 63.001 or,
39 as appropriate, in] section 2 of this 2025 Act.

40 (h) “Share” or “stock” means a membership interest in the Oregon trust company[, as defined
41 in ORS 63.001 or, if appropriate, an interest] that a person has as a member, as defined in section
42 2 of this 2025 Act, of the Oregon trust company.

43 (i) “Stockholder,” “stockholders,” “shareholder” or “shareholders” means the Oregon trust
44 company’s member or members, as defined in [ORS 63.001 or, as appropriate, in] section 2 of this
45 2025 Act.

1 (3) An Oregon trust company organized as a limited liability company shall be organized under
2 the authority of the Director of the Department of Consumer and Business Services under this
3 chapter and ORS chapter 707. Except as set forth in subsection (4) of this section, with respect to
4 all other aspects of its operation and existence, an Oregon trust company that is organized as a
5 limited liability company is subject to the provisions of [*ORS chapter 63 or, as appropriate, to the*
6 *provisions of*] sections 1 to 125 of this 2025 Act, to the extent that [*ORS chapter 63 or, as appro-*
7 *priate,*] sections 1 to 125 of this 2025 Act do not conflict with the Bank Act. In the event of any
8 conflict between the Bank Act and [*ORS chapter 63 or*] sections 1 to 125 of this 2025 Act, the Bank
9 Act controls.

10 (4)(a) Notwithstanding any provision of [*ORS chapter 63 or*] sections 1 to 125 of this 2025 Act,
11 the articles of organization of an Oregon trust company that is organized as a limited liability
12 company shall:

13 (A) State that the existence of the Oregon trust company is perpetual; and

14 (B) Provide that the Oregon trust company is to be managed by a board of not fewer than five
15 managers.

16 (b) Notwithstanding any provision of [*ORS chapter 63 or*] sections 1 to 125 of this 2025 Act, an
17 Oregon trust company that is organized as a limited liability company shall be managed exclusively
18 by its board of managers in substantially the same manner as an Oregon trust company that is or-
19 ganized as a corporation is managed by its board of directors. The board of managers of an Oregon
20 trust company that is organized as a limited liability company has substantially the same rights,
21 powers, privileges, duties and responsibilities as the board of directors of an Oregon trust company
22 that is organized as a corporation and is subject to the provisions of ORS chapter 707 and this
23 chapter pertaining to directors.

24 (c) Notwithstanding any provision of [*ORS chapter 63 or*] sections 1 to 125 of this 2025 Act,
25 membership interests in an Oregon trust company that is organized as a limited liability company
26 are freely transferable, and consent of the Oregon trust company or its members or managers is not
27 required for a person to acquire or transfer a membership interest in the Oregon trust company.
28 Immediately upon the completion of the transfer of the membership interest to a person, the person
29 becomes a member, and has all the rights of a member.

30 (d) [*ORS 63.621 (2) to (4) and*] Section 58 (1)(a) to (c) of this 2025 Act [*do*] **does** not apply to an
31 Oregon trust company organized as a limited liability company.

32 (5) The articles of organization of an Oregon trust company that is organized as a limited li-
33 ability company shall require that liquidation of the Oregon trust company conform with the re-
34 quirements of the Bank Act.

35 (6) An Oregon trust company that is organized as a limited liability company shall have the of-
36 ficers described in ORS 707.700. The officers shall be elected by the board of managers of the
37 Oregon trust company and shall be subject to the provisions of this chapter and ORS chapter 707.

38 (7) Each Oregon trust company that is organized as a limited liability company shall have a
39 written operating agreement containing any provisions for the affairs of the Oregon trust company
40 as may be agreed upon by its members and that are consistent with the Bank Act.

41 (8) Any number of persons, not fewer than five, may act as organizers of an Oregon trust com-
42 pany that is organized as a limited liability company.

43 **SECTION 230. The amendments to ORS 709.015 by section 229 of this 2025 Act become**
44 **operative on January 1, 2028.**

45 **SECTION 231.** ORS 713.140 is amended to read:

1 713.140. (1) To procure a certificate of authority to conduct banking business in this state, an
2 out-of-state bank or extranational institution shall apply to the Director of the Department of Con-
3 sumer and Business Services. The application must state:

4 (a) The name, in accordance with the provisions of ORS 713.130.

5 (b) The state or country under the laws of which the out-of-state bank or extranational institu-
6 tion is organized.

7 (c) The date of organization.

8 (d) The period of duration of the out-of-state bank or extranational institution, if the duration
9 is not perpetual.

10 (e) A mailing address to which the director may send notices.

11 (f) The address of the main office of the out-of-state bank or extranational institution in the state
12 or country under the laws of which the out-of-state bank or extranational institution is organized.

13 (g) The name of the proposed registered agent and the street address in this state of the pro-
14 posed registered office that will receive service of process for the out-of-state bank or extranational
15 institution.

16 (h) The names and addresses of the president and secretary of the out-of-state bank or
17 extranational institution.

18 (i) Additional information that the director by rule requires.

19 (2) The director may prescribe and furnish forms for the application. The president or a vice
20 president and secretary or an assistant secretary of the out-of-state bank or extranational institution
21 shall sign the application.

22 (3) The out-of-state bank or extranational institution shall also take the steps necessary to be-
23 come authorized to transact business:

24 (a) If a corporation, as a foreign corporation under ORS chapter 60;

25 (b) If a limited partnership, as a foreign limited partnership under ORS chapter 70;

26 (c) If a limited liability company, as a foreign limited liability company under ORS chapter 63
27 **or sections 1 to 125 of this 2025 Act;** or

28 (d) If a business trust, as a business trust under ORS 128.560 to 128.600.

29 (4) If the out-of-state bank is an unincorporated company, partnership or association, the out-
30 of-state bank shall register the out-of-state bank's name as an assumed business name as provided
31 in ORS chapter 648.

32 **SECTION 232.** ORS 713.140, as amended by section 231 of this 2025 Act, is amended to read:

33 713.140. (1) To procure a certificate of authority to conduct banking business in this state, an
34 out-of-state bank or extranational institution shall apply to the Director of the Department of Con-
35 sumer and Business Services. The application must state:

36 (a) The name, in accordance with the provisions of ORS 713.130.

37 (b) The state or country under the laws of which the out-of-state bank or extranational institu-
38 tion is organized.

39 (c) The date of organization.

40 (d) The period of duration of the out-of-state bank or extranational institution, if the duration
41 is not perpetual.

42 (e) A mailing address to which the director may send notices.

43 (f) The address of the main office of the out-of-state bank or extranational institution in the state
44 or country under the laws of which the out-of-state bank or extranational institution is organized.

45 (g) The name of the proposed registered agent and the street address in this state of the pro-

1 posed registered office that will receive service of process for the out-of-state bank or extranational
2 institution.

3 (h) The names and addresses of the president and secretary of the out-of-state bank or
4 extranational institution.

5 (i) Additional information that the director by rule requires.

6 (2) The director may prescribe and furnish forms for the application. The president or a vice
7 president and secretary or an assistant secretary of the out-of-state bank or extranational institution
8 shall sign the application.

9 (3) The out-of-state bank or extranational institution shall also take the steps necessary to be-
10 come authorized to transact business:

11 (a) If a corporation, as a foreign corporation under ORS chapter 60;

12 (b) If a limited partnership, as a foreign limited partnership under ORS chapter 70;

13 (c) If a limited liability company, as a foreign limited liability company under [*ORS chapter 63*
14 *or*] sections 1 to 125 of this 2025 Act; or

15 (d) If a business trust, as a business trust under ORS 128.560 to 128.600.

16 (4) If the out-of-state bank is an unincorporated company, partnership or association, the out-
17 of-state bank shall register the out-of-state bank's name as an assumed business name as provided
18 in ORS chapter 648.

19 **SECTION 233. The amendments to ORS 713.140 by section 232 of this 2025 Act become**
20 **operative on January 1, 2028.**

21 **SECTION 234.** ORS 713.200 is amended to read:

22 713.200. (1) An out-of-state bank or extranational institution that has a certificate of authority
23 to conduct banking business in this state shall deliver copies of documents that the out-of-state bank
24 or extranational institution filed with the Secretary of State pursuant to ORS chapters 60, 63, 70
25 and 648 and ORS 128.560 to 128.600 **and sections 1 to 125 of this 2025 Act** to the Director of the
26 Department of Consumer and Business Services promptly after filing the documents with the Secre-
27 tary of State.

28 (2) If an out-of-state bank or an extranational institution that has a certificate of authority to
29 conduct banking business in this state changes the out-of-state bank's or extranational institution's
30 name or duration, the out-of-state bank or extranational institution shall apply to the director to
31 amend the certificate of authority.

32 (3) The requirements for signing and submitting the application described in subsection (2) of
33 this section to the director and that prescribe the form and contents of the application are the same
34 as in the case of an original application for a certificate of authority under ORS 713.140. Filing the
35 application for the amended certificate of authority by the director has the same legal effect as filing
36 the original certificate of authority.

37 **SECTION 235.** ORS 713.200, as amended by section 234 of this 2025 Act, is amended to read:

38 713.200. (1) An out-of-state bank or extranational institution that has a certificate of authority
39 to conduct banking business in this state shall deliver copies of documents that the out-of-state bank
40 or extranational institution filed with the Secretary of State pursuant to ORS chapters 60, [63,] 70
41 and 648 and ORS 128.560 to 128.600 and sections 1 to 125 of this 2025 Act to the Director of the
42 Department of Consumer and Business Services promptly after filing the documents with the Secre-
43 tary of State.

44 (2) If an out-of-state bank or an extranational institution that has a certificate of authority to
45 conduct banking business in this state changes the out-of-state bank's or extranational institution's

1 name or duration, the out-of-state bank or extranational institution shall apply to the director to
 2 amend the certificate of authority.

3 (3) The requirements for signing and submitting the application described in subsection (2) of
 4 this section to the director and that prescribe the form and contents of the application are the same
 5 as in the case of an original application for a certificate of authority under ORS 713.140. Filing the
 6 application for the amended certificate of authority by the director has the same legal effect as filing
 7 the original certificate of authority.

8 **SECTION 236. The amendments to ORS 713.200 by section 235 of this 2025 Act become**
 9 **operative on January 1, 2028.**

10 **SECTION 237.** ORS 726.050 is amended to read:

11 726.050. The Director of the Department of Consumer and Business Services may not issue a
 12 license to a corporation, limited liability company or limited liability partnership or to a person
 13 using an assumed business name unless:

14 (1) The limited liability company or limited liability partnership has filed the required documents
 15 under ORS chapter 63 or 67 **or sections 1 to 125 of this 2025 Act;**

16 (2) The person using the assumed business name has registered the name under ORS chapter
 17 648; or

18 (3) The corporation is an Oregon corporation in good standing or a foreign corporation legally
 19 qualified to do business in this state.

20 **SECTION 238.** ORS 726.050, as amended by section 237 of this 2025 Act, is amended to read:

21 726.050. The Director of the Department of Consumer and Business Services may not issue a
 22 license to a corporation, limited liability company or limited liability partnership or to a person
 23 using an assumed business name unless:

24 (1) The limited liability company or limited liability partnership has filed the required documents
 25 under ORS chapter [63 or] 67 or sections 1 to 125 of this 2025 Act;

26 (2) The person using the assumed business name has registered the name under ORS chapter
 27 648; or

28 (3) The corporation is an Oregon corporation in good standing or a foreign corporation legally
 29 qualified to do business in this state.

30 **SECTION 239. The amendments to ORS 726.050 by section 238 of this 2025 Act become**
 31 **operative on January 1, 2028.**

32
 33 **CAPTIONS**

34
 35 **SECTION 240. The unit and section captions and leadlines used in this 2025 Act are pro-**
 36 **vided only for the convenience of the reader and do not become part of the statutory law of**
 37 **this state or express any legislative intent in the enactment of this 2025 Act.**

38
 39 **REPEAL OF ORS CHAPTER 63**

40
 41 **SECTION 241. ORS 63.001, 63.002, 63.004, 63.007, 63.011, 63.014, 63.016, 63.017, 63.021, 63.024,**
 42 **63.027, 63.031, 63.032, 63.034, 63.044, 63.047, 63.051, 63.054, 63.057, 63.074, 63.077, 63.094, 63.097,**
 43 **63.101, 63.111, 63.114, 63.117, 63.121, 63.130, 63.140, 63.155, 63.160, 63.165, 63.170, 63.175, 63.180,**
 44 **63.185, 63.195, 63.200, 63.205, 63.209, 63.219, 63.225, 63.229, 63.235, 63.239, 63.245, 63.249, 63.255,**
 45 **63.259, 63.265, 63.431, 63.434, 63.437, 63.441, 63.444, 63.467, 63.470, 63.473, 63.476, 63.479, 63.481,**

1 **63.487, 63.494, 63.497, 63.621, 63.625, 63.629, 63.631, 63.637, 63.641, 63.644, 63.645, 63.647, 63.651,**
2 **63.654, 63.657, 63.661, 63.664, 63.671, 63.674, 63.701, 63.704, 63.707, 63.711, 63.714, 63.717, 63.721,**
3 **63.724, 63.727, 63.731, 63.734, 63.737, 63.741, 63.744, 63.747, 63.771, 63.777, 63.781, 63.784, 63.787,**
4 **63.801, 63.810, 63.951, 63.955, 63.960, 63.965, 63.990 and 63.992 are repealed on January 1, 2028.**

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